

West Germans Give Kohl Landslide Victory; France's Leftist Parties Slip in Local Contests



Australia's Prime Minister-elect Robert Hawke and his wife, Hazel, after Mr. Hawke claimed an election victory.

Labor Easily Defeats Australian Coalition; Hawke Vows Caution

By Richard Bernstein
New York Times Service

CANBERRA, Australia — Australia's voters have decisively rejected the government of Prime Minister Malcolm Fraser and swept into power a Labor Party government headed by Robert Hawke.

Mr. Fraser formally resigned Sunday. With about 90 percent of the votes from Saturday's election counted, Labor had 71 seats in the 125-seat House of Representatives and Mr. Fraser's coalition had 50.

Mr. Hawke, who will assume the position of prime minister early next week, said in a televised news conference that he would move slowly and prudently to implement the Labor Party program.

"I commit myself, I commit our government, to undertaking from this moment the task of national reconciliation," he said. "We have a magnificent country. If we all work together, we can see, I believe, no bounds to what we can do."

Asked what could be expected in the first few months of his government, he said: "We're not going to move quickly. I believe that what the people of Australia want from the incoming government is calmness, a sense of assurance."

During the campaign, Mr. Hawke, a former top union official who became leader of the opposition only four weeks ago, promised to increase government spending for job creation, to enhance welfare benefits and to cut taxes.

The likely head of Treasury Ministry under Labor, Paul Keating, predicted that within six months the new government would have made "substantial inroads into both inflation and unemployment."

With inflation at 11 percent and unemployment more than 10 percent, it was Australia's economy that, in the view of analysts, gave Labor much of its edge over Mr. Fraser's Liberal-National Party coalition.

Foreign affairs were not discussed much during the campaign and the Labor government was not expected to attempt major changes there.

A moderate who has been very critical of the Soviet Union, Mr. Hawke has indicated that he would maintain Australia's close ties, including its defense treaty, with the United States.

But the Labor Party platform adopted last year, and various statements by party leaders, indicate that a Labor government will diverge from the United States on some issues.

The party has called for gradually ending exports of uranium ore. Australia, which has roughly 25 percent of the non-Communist world's proven reserves of uranium, began a feasibility study last year with a European consortium in building a uranium enrichment plant. That project is given little chance under Mr. Hawke's government.

The Labor Party has also opposed Australia's participation in

A 'Warning' To Socialists Seen in Vote

By Axel Krause
International Herald Tribune

PARIS — Center-right candidates scored sweeping gains in the first round of France's municipal elections Sunday, defeating incumbent Socialist and Communist officials, including some ministers in the cabinet of President François Mitterrand.

Projections and early results Sunday evening indicated that conservatives and centrists were reconquering many of the large cities and towns that they lost to the left in the last municipal elections, in 1977.

"There has been an indisputable rise by the right and backward slip by the majority," said Lionel Jospin, first secretary of the Socialist Party. According to early estimates, Mr. Jospin lost his own seat as municipal councillor from the 18th district of Paris.

Mr. Jospin, according to the projections, obtained 37.1 percent of the vote, while Alain Juppé, a supporter of Mayor Jacques Chirac of Paris, won 50.05 percent.

Although incomplete results from larger cities showed that the shift was not so sharp as had been predicted earlier, Mr. Chirac, who is laying claim to leadership of the center-right opposition, Sunday evening termed the results "an unequivocal warning" to the Socialist government about their present policies.

Jean Lecanuet, head of the Union for French Democracy, a center alliance, noted that a total of five cabinet ministers had been defeated in the first round, including Jean Laurain, minister of veteran affairs; Jean Le Garrec, minister-delegate in charge of employment issues; André Henry, minister of justice; Edwygène Foville, minister-delegate for leisure and youth; and Louis Mexandeau, minister of posts and telecommunications. Culture Minister Jacques Lang was also defeated, according to later results.

"The fact that some cabinet ministers have been defeated and others face runoffs raises the question of cabinet reshuffling," Mr. Lecanuet said.

In Lille, Prime Minister Pierre Mauroy will be among cabinet officers facing runoffs next week, along with Interior Minister Gaston Defferre, who is mayor of Marseille and a close adviser and friend of Mr. Mitterrand, and Finance Minister Jacques Delors, who ran in a Paris suburb.

Under the traditional French practice of multiple office-holding, politicians who lose municipal seats are not required to give up their national positions. But political pressures can lead to the resignations of those who do worse than expected, and there has been widespread speculation in recent weeks that a severe defeat for the left would trigger a cabinet reshuffling.

Center-right candidates won an absolute majority in 21 cities and towns with populations of over 30,000, according to early estimates. The computer-based projections appeared in part the opposition in a strong position for winning back most large cities won by the left in the municipal elections in 1977.

Candidates of the neo-Gaullist party Rally for the Republic, led by Mr. Chirac, won in Reims, Brest, Nantes and Grenoble, defeating incumbents from the Socialist and Communist parties.

Strong opposition among Catholic



Chancellor Helmut Kohl was all smiles Sunday after his election victory.



Petra Kelly, a leader of the Greens, which won seats in parliament for the first time.

3 Central American Nations Plan Meeting on Bringing Peace to Area

By Richard J. Meislin
New York Times Service

SAN JOSE, Costa Rica — Three Central American governments are planning a meeting to discuss ways of bringing peace to the region and have decided not to invite the United States, according to government officials here.

A Costa Rican official said Saturday that it was hoped the meeting could be held within a few weeks to take advantage of a "lowering of tensions" that could follow Pope John Paul II's visit. The session would be held in a neutral country, possibly the Dominican Republic.

The meeting, which is being organized by Costa Rica with the help of Honduras and El Salvador, would seek to "break the impasse" over methods to achieve peace by reviewing previous initiatives since 1980, a ranking Costa Rican official said. It would then determine "elements of consensus" that might be pursued.

If the meeting goes as planned, it would include as key participants the foreign ministers of Costa Rica, Honduras, El Salvador, Nicaragua and Guatemala, as well as observers from Panama, Mexico, Venezuela, Colombia, Belize, Jamaica and the Dominican Republic.

But the conference would specifically exclude the United States, whose participation in a meeting here in October has increasingly come to be viewed by officials in the region as an obstacle to substantial improvements in Central American relations.

President Luis Alberto Monge of Costa Rica has publicly said "it was unwise" to have allowed Thomas O. Enders, the U.S. assistant secretary of state for inter-American affairs, to participate in the October meeting. An aide to Mr. Monge said Mr. Enders's presence "contributed to a distortion" of the meeting's purpose.

The October meeting included only democratically elected governments, excluding those of Guatemala, whose president, General Efraim Rios Montt, took control after a military coup last March, and of Nicaragua, whose leftist Sandinist government seized power after overthrowing Anastasio Somoza in 1979.

The meeting came to be viewed, particularly by Nicaragua and its supporters, as part of a U.S. effort to isolate the Sandinists from the rest of Central America. It also angered Mexico and Venezuela, which were promoting their own peace initiatives at the time of the meeting and declined to participate.

One result of the October meeting was a document repeating the support of the participants for democratic principles and human rights, as well as agreement to create a committee to give technical advice on elections and a "forum for peace and democracy" that would "study the regional crisis and analyze the various peace proposals or initiatives aimed at solving it."

The forum would include the meeting's participants and could, under the agreement, be "broadened by the inclusion or the collaboration of other democratic states."

But another result of the October meeting, Costa Rican officials say, was a strain in the relations between the participants and non-participants — particularly between Costa Rica and Nicaragua, Venezuela and Mexico.

In recent weeks Mr. Monge has withdrawn his support for the forum for peace and democracy, adopting instead the position that "you cannot negotiate peace in Central America while excluding any of the five states," according to a spokesman.

U.S. 'Not at All' Upset
Mr. Enders said Saturday the United States was "not at all" upset about plans to exclude Washington from the peace talks. The New York Times reported from Washington.

Both FDP and Greens Will Be in Bundestag

By Henry Tanner
International Herald Tribune

BONN — Chancellor Helmut Kohl's conservative Christian Democrats won a landslide victory in West Germany's national election Sunday, according to computer projections.

Hans-Jochen Vogel, the Social Democratic Party's candidate for chancellor, congratulated Mr. Kohl on his victory. He told reporters at the party headquarters: "This is a defeat. We will be constructive opposition."

The result was interpreted as a mandate in Chancellor Kohl to go ahead with major policies he advocated during the campaign. He had promised in stand by the decision of the Western alliance to begin deploying U.S. Pershing-2 and cruise missiles in West Germany by the end of the year unless the Geneva disarmament talks between the United States and the Soviet Union bring satisfactory results.

According to the projections late Sunday night, the alliance of the Christian Democrats and the Christian Social Union, their Bavarian sister party, won 48.9 percent of the vote, which would give them 244 seats in the 496-seat Bundestag, a gain of 18 seats.

The Social Democrats were projected to win 38.1 percent of the vote, for 190 seats, a loss of 28. The Free Democratic Party of Foreign Minister Hans-Dietrich Genscher was projected to win 7 percent for 35 seats, a loss of 18, and the Greens, a coalition of environmental and disarmament activists, were winning 5.5 percent for 27 seats. It was the Greens' first representation in the lower house of parliament.

The projections were expected to correspond closely with the actual results of the voting.

"The result is sensational, words that I don't use lightly," said Friedrich Nowotny, the chief commentator of the first channel of West German television.

The projected results touched off pandemonium at headquarters of the Christian Democrats.

In his post-election statement Sunday night, Mr. Kohl said that while he would honor his party's commitment to deploy the 204 U.S. missiles, the goal of his policy was to make the deployment of the new weapons unnecessary.

So strong is popular resistance to deployment of these weapons in West Germany that Western diplomats here expect the new government to prod the United States directly to take a flexible position in the disarmament talks.

If the Social Democrats had won, their government would have been expected to exert public pressure on the United States on this issue.

The one-sided election result is evidence that the voters felt the Christian Democrats were better equipped than the Social Democrats to deal with key issue of unemployment and related economic questions, which polls have shown, were more important to voters than the missile issue.

According to the projections, the Christian Democratic Union-Christian Social Union alliance were achieving one of the best results they have achieved in any election since the end of the war. By contrast, it would be the first time since 1965 the Social Democrats polled less than 40 percent of the vote.

For Mr. Kohl, 52, the election victory is a personal triumph and vindication. He was a candidate for chancellor once before, in 1976, but lost to Helmut Schmidt of the Social Democrats.

In that election, Mr. Schmidt won with the help of Mr. Genscher's Free Democrats. But that party broke ranks with the Social Democrats last September and ran Sunday as a partner of the Christian Democrats.

So disappointed were the Christian Democrats over their 1976 defeat under Mr. Kohl that in the next election, 1980, they replaced him as candidate with Franz Josef Strauss, the combative veteran politician who heads the Christian Social Union.

Mr. Kohl swallowed his pride and as party leader campaigned loyally for Mr. Strauss, who suffered a humiliating defeat. The two parties then turned back to Mr. Kohl.

In the campaign, Mr. Kohl exploited in the fullest the advantage of being the incumbent chancellor. Having assumed the post only last fall, he enjoyed the benefits of being in power without suffering many of the drawbacks.

He attributed everything that has gone wrong in West Germany — notably the record 2.54 million unemployment — to the heritage left by the Social Democratic governments of the last 13 years, and he claimed that everything that has gone right is the result of the measures taken by his own government.

Mr. Kohl has been in party politics all his adult life. After winning a doctorate in political science with a dissertation on Germany's political parties after the war, he went into local politics in the town of Ludwigshafen in western Germany. He became a member of the city council, then member of the state parliament and ultimately premier of the state of Rhineland-Palatinate.

He was 39 when he was made national party leader of the CDU and head of the party's faction in parliament. Two posts he has held ever since.

He has been criticized by more sophisticated politicians as being shallow, and his style on the stump, including his cliché-studded language, were ridiculed in the press at the start of the campaign. He often referred to West Germany as "this, our country," and the phrase now crops up with slight sarcasm in almost every political conversation.

But shallow or not, there is no doubt that Mr. Kohl's call for a return to the simple German values of hard work, thrift and belief in the Fatherland have struck a responsive chord. "Kohl may sound ridiculous in Bonn, but he sounds good in the small towns," a West German editor said.

Mr. Vogel, 57, the Social Democratic candidate, is also a lifelong politician, but had to battle the handicap of being a relatively new figure in national politics. He had been a successful, long-term mayor of Munich and was justice minister under Chancellor Schmidt.

Two years ago, he was sent by the party to West Berlin to lead the Social Democrats in a city election that they expected to lose. He served as acting mayor of West Berlin for a few months, then threw himself into the city election, which he indeed lost but with a creditable result.

He became a national figure last fall after the Schmidt government fell and Mr. Schmidt announced he would not again run as chancellor. The badly divided Social Democrats needed a chancellor who



Prime Minister Robert Mugabe of Zimbabwe spoke with Prime Minister Indira Gandhi on arriving Sunday in New Delhi for the nonaligned summit. Page 2.

Zimbabwean Troops Occupy City, Reportedly Detain up to 1,000

Compiled by Our Staff From Dispatches

HARARE, Zimbabwe — Government troops entered Zimbabwe's southern city of Bulawayo on Saturday to search for anti-government rebels and to clear the city of black townships of the Matabeland provincial capital and have detained up to 1,000 people, security sources said Sunday.

Residents said the troops were from the North Korean-trained 5th Brigade, which has been widely accused of atrocities in a drive against anti-government rebels in the Matabeland bush.

The soldiers entered Bulawayo with armored vehicles before dawn Saturday and sealed off the city's predominantly black suburbs for almost 12 hours, the residents said.

They said the blockade paralyzed much commercial activity in Bulawayo by preventing workers from traveling to their jobs.

The residents said Sunday that troops and police were engaged in a second day of searching the city's black townships.

The security sources said there was no suggestion that Joshua Nkomo, leader of ZAPU, the party in opposition to Prime Minister Robert Mugabe, had been detained.

One of Mr. Nkomo's advisers said Sunday that Mr. Nkomo, 65, left his home Saturday, before troops arrived. The adviser said Mr. Nkomo was well and staying in a "safe house" with relatives.

Later Sunday, Mr. Nkomo was quoted by his spokesman as saying the troops had killed his chauffeur, ransacked his house and smashed his cars during a raid on his home.

The spokesman, who said he was repeating an account given by Mr. Nkomo, stated that he understood there had been heavy gunfire around Mr. Nkomo's house Saturday.

Mr. Nkomo was not around the house at the time, he said.

One man was shot and killed 100 meters (330 feet) from Mr. Nkomo's house within minutes after the police finished their search, aides said, but they did not say they did not why or by whom.

Reporters who visited Mr. Nkomo's house in Bulawayo on Sunday said the main residential area had been locked but that doors leading to staff quarters were open. They found ransacked rooms, with one bed covered in bloodstains.

Nkomo aides in Bulawayo said a ZAPU member of Parliament and a leading provincial official had been arrested. ZAPU officials identified him as Sydney Malunga.

ZAPU officials, reached by telephone at Mr. Nkomo's home, said the party's provincial chairman for Matabeland, C.Z. Moyo, had also been detained.

INSIDE

- A flurry of Afghan news in the Soviet press may reflect changing aims among Kremlin leaders. Page 7.
- A cabinet minister in Malaysia is sentenced to death for a political murder. Page 7.
- Stalin Anniversary: It is little noticed, but flowers appear on his grave in Moscow. Page 4.
- U.S. immigrants head for the suburbs: Census shows foreign-born newcomers melt into the middle class. Page 3.
- Roasting the Runners: In an old Boston ritual almost all the presidential candidates pass muster at dinner. Page 7.
- BUSINESS/FINANCE
- Kuwait's oil minister reports a concession that appears likely to increase chances for an OPEC accord. Page 9.
- The U.S. steel industry, apparently coming out of a painful slump, remains very cautious. Page 9.

Pope Visits Panama and El Salvador

Compiled by Our Staff From Dispatches

SAN SALVADOR — The Salvadoran Army ignored Sunday a rebel call for a cease-fire on the day Pope John Paul II visited El Salvador and stepped up a drive to halt a guerrilla offensive on a provincial capital.

Alvaro Magaña, the country's provisional president, greeted the pope by formally announcing elections by Christmas. It was the first official announcement that elections would be held before March 1984.

The elections "will incorporate all sectors in the democracy," Mr. Magaña said, apparently calling on guerrillas to lay down their arms and end the three-year civil war

that has cost an estimated 42,000 lives.

The pope arrived in San Salvador from San José, Costa Rica, for a 10-hour visit. He planned to visit the burial place of Archbishop Oscar Romero, who was assassinated while saying Mass in San Salvador in March 1980.

John Paul was met at the airport by several hundred schoolgirls dressed in yellow and white, and waving flags.

At a departure ceremony in San José, the pope bade farewell to President Luis Alberto Monge and thanked the Costa Ricans for their reception during the four days he was based there. The visit "allowed me to know this people and the profound human, moral and religious values that they have built and that sustain this nation," he said.

Government officers said about 2,000 troops are spreading out around the towns of Delicias de Concepción and Osicala, 72 miles (115 kilometers) northeast of San Salvador, but they have met no rebel resistance.

Guerrillas asserted that they took both towns on their drive south in Morazan province.

■ **"Rude Treatment" in Nicaragua**

Earlier, Don Schanche of the Los Angeles Times reported from Panama City:

The aftermath of what Vatican officials called "the rude treatment" of the pope Friday by the Sandinista junta in Nicaragua, and

displeasure with the Guatemalan government, all but overshadowed what otherwise was a joyous papal visit Saturday to Panama.

The country declared a national holiday to honor the pope and hundreds of thousands of people streamed out to see him and hear him on his cherished themes: Christian family values and abhorrence of violence.

Meanwhile, the pope indirectly criticized the government of General Efraín Ríos Montt of Guatemala, which provoked a formal Vatican protest Thursday by executing six men on terrorism charges despite a reprieve sought by the pope.

John Paul sent a telegram to Bishop Prospero Penados del Barrio, president of the Episcopal Conference of Guatemala, in which he said, "I cannot but think of the immense pain of the recent executions carried out in this nation."

The pontiff was bearded in Managua by Sandinista-organized demonstrations, who drowned out cries of praise by Roman Catholics at a huge open-air Mass.

After John Paul boarded his jet to leave, leaders of the leftist junta ordered the Managua airport control tower to withhold takeoff permission for about 10 minutes. Aerial crew members disclosed Saturday.

Archbishop Marcos McGrath of Panama City discarded his prepared welcoming text at the outdoor Mass and denounced "the profanation of the Mass" in Nicaragua.

A senior Vatican official close to the pope said the Nicaraguan situation made John Paul "very sad and very angry."

In another development, the Vatican party released a communiqué spelling out what the Sandinista junta members had said to the pope during a private meeting and what he had said in reply.

The communiqué appeared to be a response to reports announced by the Sandinistas after the pope left Managua. They said he had agreed fully with their strong stand against policies of the United States in Central America.

The Vatican statement said the pope said he had asked John Paul to use his good offices to end U.S. intervention in the region.

While the pope did not express agreement, the Vatican version of his reply was seen as an indirect rebuke to President Ronald Reagan's policies in Central America.

In a speech to farm workers in Panama, the pope said, "In the search for greater justice and for improving your situation, do not fall into the temptation to use violence, guerrilla warfare and the egoistic class struggle."



Hans-Jochen Vogel, the Social Democratic candidate for chancellor, at a meeting after Sunday's vote. Mr. Vogel conceded defeat shortly after first projections were made.

Kohl Projected Winner In West German Vote

(Continued from Page 1)

could bridge their internal divisions.

At the urging of Willy Brandt, the former chancellor who still is party leader, the SDP agreed on Mr. Vogel, who had been standing on the party's right wing during his Munich days but had moved closer to the party's left and youth movement during his battles in Berlin.

Mr. Vogel managed to galvanize the party for the campaign. But many believe that the old ideological rift will reappear after the election.

In speech and demeanor, Mr. Vogel could not be more different from his opponent, where Mr. Kohl has had to ward off charges of intellectual shallowness. Mr. Vogel, at least on the platform, exudes a donnish aloofness and has been criticized for an apparent absence of warmth.

Both candidates are Catholics, a fact that is cited in the year of the 500th anniversary of Martin Luther's birth as evidence of just how far the Germans have come away from their past of religious wars.

Previous Social Democratic candidates for chancellor have been Protestants.

The West German election system is complicated and gives the

voter a bewildering range of possibilities to hedge his choice.

Each voter has two ballots. The first is for his preferred candidate in his own small voting district. Half the members of the 496-member Bundestag are elected in this way.

On the second ballot the voter chooses a regional party list with several names on it. These votes are divided under a complicated proportional system.

The second ballot, more than the first, determines how many seats each party obtains. Mr. Genscher's Free Democrats, who have held the balance of power in parliament for over a generation, have never won a seat in the direct vote but sent a substantial faction of 53 members to parliament after the election of 1980. Even Mr. Genscher, the Free Democratic leader, never won a direct election in his own district.

Mr. Genscher's party's second ballot as a counterweight to the influence of the two traditionally leading parties.

Ironically, Mr. Vogel does not appear on any list. He is one of 22 Bundestag members sent to Bonn by the city government of West Berlin, which does not participate in national elections.

France Swings to the Right In Early Election Results

(Continued from Page 1)

ed proportionally among the parties getting at least 5 percent of the vote.

Smaller municipalities use a straight two-round system. Runoffs will be held where no party wins a first-round majority.

During the past few weeks, center-right candidates, led by Mr. Chirac, waged a tough, gloves-off campaign against what they termed disastrous economic policies of the Socialists and their Communist coalition partners.

Mr. Chirac, along with former President Valéry Giscard d'Estaing and his former prime minister, Raymond Barre, attacked France's inflation rate of nearly 10 percent, a growing trade deficit and an 8.5 percent unemployment rate, insisting that voters show their disapproval by voting against leftist candidates.

In a statement published on Sunday by the centrist weekly journal du Dimanche, Mr. Chirac warned that if "a clear warning" were not given to the left in the elections, it would mean "an open road" to what he termed "an even more radical form" of leftist policies in France.

In defending Mr. Mitterrand and his policies, Mr. Mauroy repeatedly stated that his government had successfully reduced inflation and that unemployment had leveled off. He boasted that his administration had introduced measures to raise the minimum wage and reduce the work week by an hour.

"The worst is behind us," Mr. Mauroy said.

Public opinion polls, publication of which was banned in the week before the election, were contradictory, particularly among young and blue-collar workers; other surveys showed the leftists biding their ground, mainly in large cities and towns.

Under the system in municipalities with more than 3,500 inhabitants, the party winning an absolute majority in the first round gets three-fourths of the offices at stake, with the remaining posts distributed

proportionally among the parties getting at least 5 percent of the vote.

Smaller municipalities use a straight two-round system. Runoffs will be held where no party wins a first-round majority.

During the past few weeks, center-right candidates, led by Mr. Chirac, waged a tough, gloves-off campaign against what they termed disastrous economic policies of the Socialists and their Communist coalition partners.

Mr. Chirac, along with former President Valéry Giscard d'Estaing and his former prime minister, Raymond Barre, attacked France's inflation rate of nearly 10 percent, a growing trade deficit and an 8.5 percent unemployment rate, insisting that voters show their disapproval by voting against leftist candidates.

In a statement published on Sunday by the centrist weekly journal du Dimanche, Mr. Chirac warned that if "a clear warning" were not given to the left in the elections, it would mean "an open road" to what he termed "an even more radical form" of leftist policies in France.

In defending Mr. Mitterrand and his policies, Mr. Mauroy repeatedly stated that his government had successfully reduced inflation and that unemployment had leveled off. He boasted that his administration had introduced measures to raise the minimum wage and reduce the work week by an hour.

"The worst is behind us," Mr. Mauroy said.

Public opinion polls, publication of which was banned in the week before the election, were contradictory, particularly among young and blue-collar workers; other surveys showed the leftists biding their ground, mainly in large cities and towns.

Under the system in municipalities with more than 3,500 inhabitants, the party winning an absolute majority in the first round gets three-fourths of the offices at stake, with the remaining posts distributed

proportionally among the parties getting at least 5 percent of the vote.

Smaller municipalities use a straight two-round system. Runoffs will be held where no party wins a first-round majority.

During the past few weeks, center-right candidates, led by Mr. Chirac, waged a tough, gloves-off campaign against what they termed disastrous economic policies of the Socialists and their Communist coalition partners.

Mr. Chirac, along with former President Valéry Giscard d'Estaing and his former prime minister, Raymond Barre, attacked France's inflation rate of nearly 10 percent, a growing trade deficit and an 8.5 percent unemployment rate, insisting that voters show their disapproval by voting against leftist candidates.

In a statement published on Sunday by the centrist weekly journal du Dimanche, Mr. Chirac warned that if "a clear warning" were not given to the left in the elections, it would mean "an open road" to what he termed "an even more radical form" of leftist policies in France.

In defending Mr. Mitterrand and his policies, Mr. Mauroy repeatedly stated that his government had successfully reduced inflation and that unemployment had leveled off. He boasted that his administration had introduced measures to raise the minimum wage and reduce the work week by an hour.

"The worst is behind us," Mr. Mauroy said.

Public opinion polls, publication of which was banned in the week before the election, were contradictory, particularly among young and blue-collar workers; other surveys showed the leftists biding their ground, mainly in large cities and towns.

Under the system in municipalities with more than 3,500 inhabitants, the party winning an absolute majority in the first round gets three-fourths of the offices at stake, with the remaining posts distributed

proportionally among the parties getting at least 5 percent of the vote.

WORLD BRIEFS

U.S. Seeks Better Ties With China

WASHINGTON (WP) — The Reagan administration wants to improve U.S. relations with China despite "our close unofficial relationship" with Taiwan, according to Secretary of State George P. Shultz.

Mr. Shultz spoke on U.S. policies in Asia to a World Affairs Council dinner Saturday night in San Francisco. The speech came a week after new criticism by Beijing of Washington's stand on Taiwan.

Apparently alluding to this controversy, Mr. Shultz said frustration and problems in relations are "inevitable." But in his address, he pointed out that the community of interests that promises further progress is real. Our relationship with China has brought tangible results and can be a potent force for stability in the future of the region.

The high value placed on relations with China was balanced by Mr. Shultz's description of the unofficial U.S. relations with Taiwan as "close," a word not often used in this connection.

Iraqi Dies in Air France Bombing

BAGHDAD (Reuters) — The manager of Air France's office here was fatally wounded Saturday in an bombing at the office, a French Embassy spokesman said Sunday.

The official Iraqi News Agency reported earlier that several staff members and clients were injured in the explosion, which is blamed on Iraq and Syria. The French spokesman said the office manager, Air France, died Saturday night. There was no information on the condition of the others injured.

In Kuwait, meanwhile, the state news agency quoted Minister of State Abdul Aziz Hussein as saying that a bomb found in the office of Kuwait Airways Corp. in Baghdad had been defused. Mr. Hussein gave no further details.

Crash Kills Men Guarding Queen

YOSEMITE, California (Reuters) — Three U.S. Secret Service agents who were guarding Queen Elizabeth II and Prince Philip of Britain were killed late Saturday when the car they were driving collided head-on with a county police car.

The agents were on their way to join the security force protecting the royal couple during their weekend stay in Yosemite National Park, in central California.

The agents were about 20 minutes ahead of the royal party when the queen's 18-car motorcade detoured around the accident site. State police said a preliminary investigation indicated that the local car — which occupants, two sheriff's deputies, were injured — crossed a central turning line in wet weather.

Begin Favors Burg for Presidency

JERUSALEM (AP) — Prime Minister Menachem Begin disclosed Sunday that Interior Minister Yosef Burg, 74, is his preference for the nominal post of state president, Israel radio said.

The radio said that Mr. Begin announced his choice at a meeting of the factions in his parliamentary coalition. It was not immediately clear whether Mr. Burg, the leader of the National Religious Party, Mr. Begin's senior coalition partner, would accept the nomination. He has said he would accept only if the opposition Labor Party also backs him. Labor reportedly has a candidate of its own, Chaim Herzog, a former general and diplomat now serving as a Labor member of parliament.

The next president is to be elected March 22 by the 120-member Knesset to replace Yitzhak Navon, who announced last month that he would not seek a second five-year term.

Ukrainian Poet Gets 12-Year Term

MOSCOW (WP) — Irina Ratushinskaya, 29, a Ukrainian poet whose unpublished verses were critical of the Soviet Union, has been sentenced by a Kiev court to a maximum term of seven years in a labor camp and five years' internal exile after being found guilty of slandering the state, dissident sources reported.

Mrs. Ratushinskaya, whose poems have circulated in the West and were broadcast by the Voice of America radio, was charged with having distributed her verses in typewritten form, according to the sources. It was not known whether any other charges had been lodged against her. Her husband and other relatives were reportedly barred from the trial.

Mrs. Ratushinskaya, who regards herself as Polish, referred to the Soviet Union in one verse as "my hateful Motherland." A physicist, she has lampooned the Soviet educational system and ridiculed the Russians as having a "serf mentality." A Moscow court last week also gave her a maximum 12-year term to Valery Senderov, 37, a mathematician who helped organize an underground independent labor union.

For the Record

BEIJING (Reuters) — The National People's Congress, China's parliament, accepted Saturday the request made Wednesday by the party chairman and de facto head of state, Yeh Jianying, 85, to retire later this year because of age and failing health.

Egypt Warns Libya And Syria at Summit

NEW DELHI — On the eve of the nonaligned summit conference Sunday, moderate Arab states tried to push through a new plan to end the Gulf war between Iran and Iraq, while Egyptian officials warned the Libyan and Syrian delegations against any "attack on Egypt."

The Egyptian delegates, responding to a campaign by Arab radicals to suspend or even expel Egypt from the nonaligned movement for signing a peace treaty with Israel, said it would hit back hard at any move to discredit it before nearly 100 governing leaders who are to begin meeting Monday.

"We shall hit blow for blow without mercy at any attempt to portray Egypt as an Arab despot," Raouf Ghoneim, an Egyptian Foreign Ministry spokesman, told reporters later.

"If any resolution containing an attack on Egypt, either from Libya or Syria, is submitted to the summit for voting, then Egypt will strike back fiercely," he said.

Meanwhile, six Arab moderates lobbied other delegations to support their formula for ending 30 months of fighting between Iran and Iraq.

Conference sources said the group — Saudi Arabia, Bahrain, Kuwait, Oman, Qatar, and the United Arab Emirates — would have difficulty winning support from the United Nations sanctions on Iraq or Iraq if either refused to accept the terms.

The majority of UN member-nations are in New Delhi for the seventh nonaligned summit, and the

sources said they doubted whether this aspect of the plan would be acceptable to most delegations.

Iraq has agreed to go along with the proposals, which call for an immediate cease-fire, a pullback to prewar boundaries, repatriation of both combatants and a UN treaty to guarantee the peace.

Iranian delegates dismissed the plan saying it was not worth putting to their leaders.

Iran caused a stir at New Delhi airport Saturday when, without permission, it landed a military transport plane carrying a high-profile Iranian delegation, apparently for the delegation.

The government has proposed to allow abortion in cases of danger or if there is a risk of the fetus being deformed.

The demonstration Saturday, the theme of which was "No to abortion, yes to life" was the biggest event so far in a national campaign by conservative and church groups. The crowd included thousands of people brought in from all over Spain. Demonstrators gathered outside the main soccer stadium, carrying banners.

Police estimated the crowd at about 100,000, while the organizers, the National Commission for the Defense of Life, said almost 500,000 people demonstrated. Prime Minister Felipe Gonzalez is seeking to reform a law that was written during the Franco dictatorship, which bans all abortions.

Australia's Hawke: Speedy Rise For a Frank and Ambitious Man

New York Times Service

CANBERRA, Australia — A decade ago, when Robert James Lee Hawke was being urged by admirers to run for Parliament, he told an interviewer that if he did become a member of Australia's legislature "I would want to go to the highest possible position."

That was a characteristically blunt statement for Mr. Hawke, who already had a national reputation for quickness of mind, passionate convictions and ambition.

He chose at that time not to run, remaining instead the highly visible president of the Australian Council of Trade Unions, the umbrella organization of the country's tightly organized and often militant labor movement.

When he ran for Parliament in 1980, from a safe Labor constituency in an industrial area of Melbourne, few doubted that his sights were set on the prime ministership.

It took only two years and three months in Parliament for Mr. Hawke to achieve that goal in a country where political leaders have normally spent many years slowly climbing through the parliamentary ranks.

But Mr. Hawke, 53, has long been an unusual figure in Australia, difficult to categorize. A strong partisan of labor, once branded "Mr. Inflation" by the country's employer association, he has at times been publicly abrasive and prone to explosions of temper in front of television cameras and reporters.

He has also consistently been named in the polls as the most popular person in Australia.

According to Branch of Alpuget, who has written an admiring biography of Mr. Hawke, at the core of

his being are "his admiration for achievements, his capacity for anger, his identification with the 'little man,' and his instinct to rescue."

Mr. Hawke was born Dec. 9, 1929, at Bordertown, South Australia. His family moved to the western city of Perth when he was still young.

He graduated from the University of Western Australia with a degree in economics, then spent three years at Oxford University as a Rhodes scholar.

After a brief period as an economics researcher at the Australian National University in Canberra, he joined the Australian Council of Trade Unions at the age of 29, beginning a 23-year association with the council.

Mr. Hawke's job was to argue on behalf of labor unions before Australia's arbitration commissions, which determine settlements between the unions and employers.

In his first major case, in 1959, Mr. Hawke won a reversal of a decision banning automatic cost-of-living increases to workers.

By most accounts, his combination of abrasiveness and charm made him not only highly successful in getting favorable settlements for the unions but also a figure of

importance in the Labor Party, which he joined when he was 17.

On some issues, however, Mr. Hawke has gone his own way within the party. Since 1971, for example, he has had a close relationship with Israel; the majority in the Labor Party is sympathetic to the Palestine Liberation Organization.

Mr. Hawke has tried on several trips to the Soviet Union to persuade Soviet leaders to adopt a friendlier attitude toward Israel and to permit free Jewish emigration. He has also sharply criticized the Soviet Union for its intervention in Afghanistan and its suppression of dissidents.

On an emotional issue in Australia, the export of uranium ore, Mr. Hawke has also been at odds with others in the Labor Party. In 1979, he branded efforts to put a total ban on uranium exports on the official Labor Party platform as "a sloppy exercise in ineffective morality."

Nonetheless, his proposal to limit it to not to ban exports was defeated.

In late 1979, when he decided to run for Parliament, Mr. Hawke was opposed by the socialist left wing of the party. At one point, a public attack on party leaders by Mr. Hawke prompted some Australian newspapers to declare that his political career had been destroyed.

Shortly after that, in 1980, Mr. Hawke gave up drinking, which, he told his biographer, Miss d'Alpuget, had become a serious problem.

Mr. Hawke and his wife, Hazel, have three children and maintain homes in Melbourne, near Mr. Hawke's parliamentary constituency of G. and in Canberra.

Soviet-China Trade Talks

MOSCOW — China's deputy minister of foreign trade, Jia Shi, arrived in Moscow Sunday for talks on developing trade between the two countries. The trade talks, expected to last two weeks, begin a week after deputy foreign ministers from the two countries began a second round of consultations in Moscow on improving relations.

Mr. Jia, 55, is the first Chinese official to visit Moscow since the death of Premier Zhou Enlai in 1976.

Mr. Jia's visit is part of a series of talks between the two countries on improving relations.

Mr. Jia's visit is part of a series of talks between the two countries on improving relations.

Mr. Jia's visit is part of a series of talks between the two countries on improving relations.

Mr. Jia's visit is part of a series of talks between the two countries on improving relations.

Mr. Jia's visit is part of a series of talks between the two countries on improving relations.

Mr. Jia's visit is part of a series of talks between the two countries on improving relations.

Mr. Jia's visit is part of a series of talks between the two countries on improving relations.

Mr. Jia's visit is part of a series of talks between the two countries on improving relations.

Mr. Jia's visit is part of a series of talks between the two countries on improving relations.

Mr. Jia's visit is part of a series of talks between the two countries on improving relations.

Mr. Jia's visit is part of a series of talks between the two countries on improving relations.

Mr. Jia's visit is part of a series of talks between the two countries on improving relations.

Mr. Jia's visit is part of a series of talks between the two countries on improving relations.

Mr. Jia's visit is part of a series of talks between the two countries on improving relations.

Mr. Jia's visit is part of a series of talks between the two countries on improving relations.

Mr. Jia's visit is part of a series of talks between the two countries on improving relations.

Mr. Jia's visit is part of a series of talks between the two countries on improving relations.

Mr. Jia's visit is part of a series of talks between the two countries on improving relations.

Mr. Jia's visit is part of a series of talks between the two countries on improving relations.

Mr. Jia's visit is part of a series of talks between the two countries on improving relations.



The First Western Hemisphere Conference sponsored jointly by the Oil Daily and the International Herald Tribune

Hyatt Regency Hotel, Houston, April 18-19, 1983

Donald Hodel, United States Secretary of Energy, heads a list of distinguished speakers who will address the International Herald Tribune/Oil Daily conference on "Energy in the Americas: Coping with a Changing Political and Economic Environment."

- Mexico's emergence as a major producer.
- The discovery of new supplies in the Santa Maria field off the western U.S. shore.
- Decontrol of natural gas prices in the U.S.
- Canada's new policy of cooperation with other Western Hemisphere nations.

April 18

KEYNOTE ADDRESS

Donald Hodel, U.S. Secretary of Energy

A.M. PANEL: OIL DEVELOPMENT IN THE AMERICAS
Bernardo Gressling, Head of Petroleum and Mineral Section and Natural Resources Advisor, Inter-American Development Bank, Washington, DC

Bruce Netschert, Vice President, National Economic Research Associates, Washington, DC
Rene Ortiz Duran, International Energy Consultant, Ecuador. Former Secretary General, OPEC

Robert West, Jr., Chairman, Tesoro Petroleum Corp., Texas. Member, Caribbean/Central American Action Committee

P.M. PANEL: ENERGY POLICY IN LATIN AMERICA
Francis Gannon, Special Advisor, Organization of American States, Washington, DC

Pedro Pablo Kuczynski, President, First Boston International, New York, Former Minister of Energy, Peru
Archibald Munro, President, Esso Inter-America, Inc., Florida

Alvaro Parra

Immigrant Trend in U.S. Is to Suburbs

Census Shows Foreign-Born Newcomers Melt Into the Middle Class

By John Herbers
New York Times Service

NEW YORK — At the original Coney Island in downtown St. Paul, Minnesota, Frances Arvanitas, a native of Greece, is in her 54th year of serving hot dogs to a neighborhood that once teemed with European ethnic families but is now home to bands of native, but homeless, poor.

On the plains of northern Colorado, Anthony T. Tu, a biochemist professor at Colorado State University in Fort Collins, is one of a growing number of Chinese-born scientists who have risen to prominence in this country in recent years.

The span between Mrs. Arvanitas and Professor Tu illustrates not only the difference in origins of immigrants of the early 20th century and of recent years but also a remarkable change in where and how America's foreign-born now live and work.

Except for large coastal cities, such as New York, San Francisco and Miami, most new immigrants no longer congregate in large central U.S. cities. In the country's vast interior, where most of the population lives, they more often live in suburbs or small communities.

A sizable proportion are professionals who hold good jobs and have melted easily into suburban

living with the comfortable white middle class.

The suburbs, which provide far more jobs and higher incomes overall than the central cities, are, in fact, more accessible to immigrants than they are to most native blacks and many Hispanic people born in this country.

The 1980 census disclosed previously that immigration rose sharply in the 1970s, ending a prolonged decline. In 1920, 13.2 percent of the population of 106 million was born in another nation. That percentage dropped every decade until it reached 4.7 percent of the country's 203 million people in 1970.

But, the 1980 census showed that, almost 14 million people, or 6.2 percent of the population of 226 million, were born in another country.

Authorities on immigration and ethnic groups say the popular notion that the new immigrants are largely illegal Mexican aliens and other poor Latinos and Asians is a myth. Illegal entry of poor foreigners has increased greatly in recent years, and many poor foreigners are undocumented workers.

Official estimates show a large number of legal immigrants, who have come increasingly from southern Europe, Asia and Latin America.

According to Charles B. Keely of the Center for Policy Studies at the New York-based Population Council,

oil, laws and regulations enacted in the last two decades, "in substance and especially in operation, favor the educated and wealthy who can maneuver themselves or hire guides to take them through the bureaucratic jungle and into the United States."

Mrs. Arvanitas, a small woman of considerable age, is one of the many millions of immigrants who came to this country early in the century from eastern and southern Europe, many of them Catholics and Jews.

Mrs. Arvanitas said her late husband, Nick, also a Greek immigrant, opened the Original Coney Island on St. Peter's Street in 1923, and it remains much the same.

At lunch, the scene resembles an Edward Hopper painting, a 1929 street scene with a 1929 car parked in front of a building with a clock tower.

The window looks out on the ruins of an attempt to build an Old World civilization in an American city — across of empty space where there were stores and tenements, a boarded-up hospital, a soup kitchen for the homeless and a few new nondescript commercial buildings.

In a number of industrial cities that once were home to millions of blue-collar immigrants, such as Cleveland, Detroit and Baltimore, the percentage of foreigners has declined steadily in recent years.

Most coastal cities offer a different picture. In 1980, 53.7 percent of Miami's residents were foreign-born, as against 30.6 percent in its suburbs.

From 1970 to 1980 the number of immigrants from six countries — China, the Philippines, Japan, India, South Korea and Vietnam — almost doubled. Foreign California they have found their way into thousands of communities in the fast-growing states of the southwest and mountain West, many of them entering education, research, medicine and business.

Professor Tu, an expert on snake venom who was educated at National Taiwan University, Notre Dame, Stanford and Yale, is a leading example. In recent years, he and about 20 other Chinese scholars found jobs on the faculty of Colorado State.

In an area of 150,000 people, foreigners remain a small minority, but their numbers more than doubled in the past decade.

Professor Tu, a naturalized citizen, writes books, lectures at leading universities and travels around the world on various assignments

Changes in Foreign-Born Population, Central Cities vs. Suburbs

Foreign-born population as a percentage of total population.

	1970	1980		1970	1980
Miami Suburbs	41.8%	53.7%	Houston Suburbs	3.0%	9.8%
San Francisco Suburbs	17.8	30.6	Nassau-Suffolk Counties, N.Y. (Suburbs only)	1.5	5.0
Los Angeles Suburbs	21.8	28.3	San Antonio Suburbs	5.9	8.3
New York Suburbs	7.7	12.3	Washington Suburbs	3.0	4.2
Peterborough, N.J. Suburbs	14.6	27.1	Dallas Suburbs	4.4	6.4
Jersey City Suburbs	9.3	19.5	Denver Suburbs	2.1	6.1
Boston Suburbs	18.2	23.6	Cleveland Suburbs	0.8	3.1
San Diego Suburbs	10.8	13.5	Minneapolis Suburbs	3.8	5.8
Newark Suburbs	14.5	18.5	St. Louis Suburbs	2.3	3.6
San Jose, Calif. Suburbs	10.2	16.3	Atlanta Suburbs	7.5	5.8
Seattle Suburbs	23.2	29.2	Detroit Suburbs	6.5	5.4
Sacramento, Calif. Suburbs	13.1	15.1	New Orleans Suburbs	7.8	5.7
	8.1	8.0	Baltimore Suburbs	6.3	8.8
	7.6	15.0	St. Paul Suburbs	4.8	4.9
	5.9	10.6	Portland Suburbs	1.8	2.7
	5.2	7.6	San Francisco Suburbs	3.1	3.9
	10.5	14.5	Baltimore Suburbs	3.2	3.1
	11.0	9.4	St. Louis Suburbs	2.5	3.5
	7.6	14.4	St. Paul Suburbs	2.6	2.6
	7.8	12.8	Atlanta Suburbs	1.8	2.1
	9.1	11.3	San Francisco Suburbs	1.2	2.3
	6.2	5.7	Portland Suburbs	1.0	2.3
	4.9	10.0			
	4.2	6.5			

Source: Census Bureau

Roasting the Runners: An Old Boston Ritual

Almost All the Many Candidates Pass Muster at Democrats' Dinner

By David S. Broder
Washington Post Service

BOSTON — Early in the evening, Senator Edward M. Kennedy, the local favorite and designated needer, looked down the dais and said, "Will the next president of the United States please stand up?"

With some embarrassment, the six visiting firemen came to their feet. Senators Dale Bumpers, Alan Cranston, John H. Glenn Jr., Gary Hart and Ernest F. Hollings and former Vice President Walter F. Mondale stood there, looking sheepish.

The Massachusetts Democratic fund-raiser Thursday night was in the format Massachusetts Democrats love: the roast, where a politician is judged by his ability to respond to slurs on his character, competence and intellect.

The jobs that Mr. Kennedy administered were light, by local standards, but they provided a bit of levity for what already seems a lengthy Democratic presidential race.

At the end of the long evening, the consensus of the politically shrewd audience of 1,500 was that Mr. Mondale had hurt himself, that the others had all done reasonably well, and that it probably did not matter a lot in the larger scheme of things.

Mr. Mondale did not show up for the pre-dinner group picture with Mr. Kennedy, and he insisted on speaking early, which is part of the "I'm-not-one-of-the-pack" strategy. He spoke just as dinner was being served; the clatter, combined with a faulty sound system, made him mostly unintelligible. And as soon as he finished speaking, he left.

Those who heard him assured the others that they had not missed much.

When Mr. Kennedy jabbed him about telling The Boston Globe of several major policy disagreements with President Jimmy Carter and suggested that "Fritz could have saved me a lot of trouble in 1980" by challenging Mr. Carter himself, the best the former vice president could come back with was a weak line about a local character named Dapper O'Neill.

The others all had more fun with their talks, delivered to a receptive and generally quiet after-dinner crowd.

When Mr. Kennedy said Mr. Hart was "young, attractive, vigorous and charismatic — but I like him anyhow," Mr. Hart was quick to come back with a declaration

that, because of the sound system distortion, "when you heard Ted say it was a pleasure to introduce me, he was really saying it's a pleasure to endorse me."

When Mr. Kennedy kidded Mr. Cranston about his age, saying he was glad Mr. Cranston was popularizing the idea of a 66-year-old president because "I may need it some day," the Californian shot back, "I'm glad you're adjusting so nicely to your role as an elder statesman."

A great state tradition was cited by Mr. Kennedy in introducing Mr. Glenn, "Ohio, the mother of presidents," he said. "Rutherford B. Hayes, William McKinley, Warren G. Harding."

Mr. Glenn returned: "We're all here seeking Ted's endorsement. We know how valuable it is. Look what it did for Jane Byrne."

For Mr. Bumpers, probably the least known to the crowd, Mr. Kennedy intoned, with a note of absolute incredulity, "President Bumpers — it does have a certain ring to it."

Mr. Hollings bragged that he was "the one candidate who has managed a Kennedy campaign and won" — in South Carolina in 1960, for John F. Kennedy. "And it wasn't easy," he said, for him or a friend of his named Beasley.

They said JFK... was a Catholic, and that if he became president, there'd be holy water in the White House commodes. They asked old Beasley what he thought about that, and he said, "I don't know anything about commodes. I ain't no Catholic."

Pentagon May Back Reduced F-18 Order

By David Wood
Los Angeles Times Service

WASHINGTON — The Pentagon will approve further production of the Navy's F-18 fighter-bomber, but the size of the \$40-billion program may be curtailed, according to a senior Pentagon official.

The Pentagon's decision, which is to be announced within a few days, will be a major victory for the Northrop Corp. of Los Angeles and the McDonnell Douglas Corp. of St. Louis, Missouri, which jointly manufacture the plane.

Both companies, and F-18 boosters in the Navy and in Congress, had feared that the F-18 program might be canceled because of questions about the jet's range and other performance characteristics.

The Pentagon official, who briefed reporters on Friday on the condition that he not be identified, said he was still bothered by the inability of the F-18 to meet the Navy's combat radius specifications.

But he said the F-18 had "other qualities" that made it an effective attack plane or bomber, as well as a capable fighter plane for defending its home carrier from enemy bombers.

The official, who has substantial authority in making a final determination on the F-18 program, said it was possible that the planned purchase of 1,366 F-18s would be changed, adding that the change "is not likely to be an increase."

Other Pentagon officials said last month that a plan to cut the program to 1,000 aircraft was under consideration. However, a determination of the precise numbers to be purchased has been put off until later this year, after the Navy conducts extensive tests of its three major seagoing aircraft, the F-18, the F-14 and the A-6.

The official also said that in accepting the shorter combat radius of the F-18, the Navy would be forced to buy more tankers for aerial refueling and would have to "further develop" its tactics for using the new aircraft.

The sleek, twin-tailed F-18 Hornet is the first plane developed specifically to fill a dual role. The Navy has planned to replace its aging F-4 Phantom and A-7 Corsair II carrier planes, leaving a mix of 14 Tomcat fighters and A-6 Intruder bombers, with F-18 Hornets to complement both aircraft as needed. The F-18 Hornet has been judged more reliable than either of the other two.

'Panicky' Policeman in California Kills a Child, 5, Holding Toy Gun

Los Angeles Times Service

STANTON, California — A 5-year-old boy left alone in an apartment while his mother was in a store was shot to death by a "panicky" police officer who said he feared he was being "set up" and mistook a toy gun the child pointed at him for a real weapon, officials said.

Patrick Andrew Mason was shot in the neck Friday by Anthony Sperl, 24, Officer Sperl has been suspended with pay pending a department investigation. Police officials said the officer had been sent to Patrick's home after a friend of the child's mother called the police

EPA Administrator Gets Reagan Backing

By Lou Cannon
Washington Post Service

KIAMATH FALLS, Oregon — President Ronald Reagan has moved to stop speculation that he planned to dismiss the head of the Environmental Protection Agency, Anne McGill Burford, saying she could have her job "as long as she wants to."

President Reagan, responding to questions as he toured a lumber mill, was also asked whether he still had confidence in Mrs. Burford, whose resignation is being sought by members of Congress because of the controversy surrounding the agency's toxic waste cleanup program. He replied simply, "Yes."

His remarks appeared to be directed as much to his staff as to news organizations. White House aides had been hinting broadly last week, though not for attribution, that they thought Mrs. Burford had become a liability for Mr. Reagan and ought to resign.

Saturday night, however, in a reversal of this talk, a senior White House aide issued a statement saying: "The president meant what he said today when he remarked that she could stay on as long as she likes. He is simply not of a mind to ask her to go. He has absolutely no plans to ask her for her resignation or to relieve her of her duties."

Cats 'Sacred,' Says a Priest Who Killed 5

United Press International

MIAMI — A retired French Canadian priest acquitted of immorally killing five cats says he would never do it again because in the United States, "cats are like sacred animals like cows in India."

The Reverend Victor Theoret, 65, a former professor who lives in Miami each winter, maintained that he drowned the cats in April 1980 as an act of kindness. He was convicted of cruelty to animals in May 1981, but was acquitted when the case was appealed in December.

Dade County workers did not respond to his phone calls asking them to take the stray cats hiding under his house, Father Theoret said, and he had to return to Montreal. "I judged that it would be cruel to leave them," he said. "They would starve or be exposed to the dogs in the area."

The aide continued: "Of course there have been discussions within the staff about her; that is only natural. But the president makes the decisions and he is still in her corner, and that is all that counts as far as we are concerned."

Mr. Reagan's staff on several occasions has had difficulty budging him on an issue. And, as he demonstrated last year when he overrode the recommendation of his chief of staff and kept his labor secretary, Raymond J. Donovan, Mr. Reagan is reluctant to dismiss members of his cabinet and staff.

There may also be tactical reasons for the posture the White House adopted Saturday night. Mr. Reagan may not want to appear to be deserting a member of his administration in time of stress.

White House officials had said Mrs. Burford's future probably would be considered in a White House meeting Monday or Tuesday with a decision coming soon afterward. An official expressed the hope that Mrs. Burford would "make it easy on the president" by offering her resignation.

On Thursday night, the Justice Department said it could no longer represent Mrs. Burford in her contempt-of-Congress case in court or in the six congressional investigations of the EPA.

The EPA administrator was reported to have responded Friday that since the department no longer was defending her she felt free to turn over to Congress without restriction disputed agency documents that the earlier had been ordered to make available only under certain circumstances.

"There's no way the president can tolerate this insubordination," said an official. "He would be seriously weakened if he did."

Greeks Block U.S. Base

The Associated Press

ATHENS — About 1,500 women and children blocked access for two hours Sunday to the largest U.S. military base in Greece. The base is at Hellenikon outside Athens.

Atom Blast Over U.S. Not Threat To A-Plants, Limited Study Says

By Milton R. Benjamin
Washington Post Service

WASHINGTON — A high-altitude nuclear explosion over the United States would be unlikely to trigger simultaneous accidents at atomic power plants, a government study concludes. But the report's authors acknowledge that the study was limited, and a leading defense expert called it "the gentlest investigation possible."

The report on the vulnerability of atomic power plants to electromagnetic pulse, or EMP, the intense radio-wave energy produced by a nuclear explosion, was prepared by the Energy Department's Sandia National Laboratories. A draft of the study is expected to be released soon by the Nuclear Regulatory Commission.

U.S. military planners have long been concerned that if even a single several-megaton nuclear weapon were detonated 250 miles (400 kilometers) over the Midwest the resulting burst of radio-wave energy would destroy electronic circuitry and knock out communications and electricity in most of the United States.

The U.S. military has spent hundreds of millions of dollars on "hardening" crucial electronic equipment against EMP.

In 1976, Demetrios Basdekas, an engineer for the NRC, alerted the commission that EMP from a nuclear blast could also affect nuclear power plants. The consequences, he warned, could range "from a shutdown to a catastrophic nuclear accident."

The NRC paid relatively little attention until 1979, when Mr. Basdekas wrote directly to President Jimmy Carter. The NRC then commissioned the Sandia inquiry.

The study used as its model the Watts Bar Nuclear Plant on the Tennessee River between Knoxville and Chattanooga. Three other plants were also surveyed: Catawba in South Carolina, Clinton in Illinois and Palo Verde in Arizona.

While the investigators found enough differences at the four sites to warn that its findings could "only be extrapolated to other plants with caution," Sandia concluded that, in general, the "likelihood that individual components examined will be failed" as a result of EMP "is small."

"Therefore, it is unlikely that an EMP event will fail sufficient equipment so as to prevent safe shutdown" of reactors, the report concluded.

Several members of a special outside panel of experts that reviewed a draft of the report criticized the investigators' methodology and emphasized the study's limitations.

Dr. Conrad L. Longmire, a former nuclear weapons designer at Los Alamos who in the early 1960s developed the first comprehensive theory of EMP, was particularly critical of the failure to involve more experts working on military studies of EMP effects.

"It could appear that the gentlest investigation possible was desired," Dr. Longmire said.

In a detailed critique of the methodology, he challenged a "long chain of plausible but not provable assumptions."

The Sandia investigators conceded that "the EMP susceptibility of nuclear plant equipment in general cannot be determined from the data gathered during this study."

KEKE ROSBERG

The International Finn.
Formula 1 Driver,
born 1948

First caught the motor racing bug at his father's motor club.

Began with go-karts and Formula K, and took the Finnish Championship at the age of only 18.

Switched to Formula Vee in 1972, and inside a year had made himself European Champion, picking up the Finnish and Scandinavian Championships along the way.

Keke signed a professional contract in 1974, and moved into the Super Vee class. The result was seven straight wins, and second and third place in two other races.

Made the jump in 1978 to the really big league, to Formula 1, and finished tenth in the 1980 Drivers' championship.

Keke won his first Grand Prix in 1982, at Dijon, was runner-up at Long Beach, Zolder, and Österreich, and took third places at Zandvoort, Diepholz and Hockenheim. With these placings Keke became the 1982 Formula 1 World Champion. Number 1 in Formula 1, 1982.



NESTE OY

The Finnish International.
Oil Company,
born 1948.

Was established to secure Finland's supply of oil products. First Neste refinery on stream in 1957.

On completion of second refinery in 1966 rapid growth to become largest oil refiner in Nordic Countries.

Next step was to expand in the direction of petrochemicals, using refinery products as feedstock.

But today Neste is much more than just an oil and petrochemicals company. For several years now the company has handled the import and distribution of natural gas in Finland. The Neste fleet is as much at home with shipments of gas and chemicals as with crude oil or oil products. Neste has a fully-fledged battery manufacturing industry, with plants in several countries. All sectors of company operations are backed up by experts from the engineering and R & D fields.

Today's Neste has grown into the giant of Finnish industry, the largest industrial enterprise in the country.

Number 1 in Finnish industry.

NESTE

Energy & Chemicals & Shipping

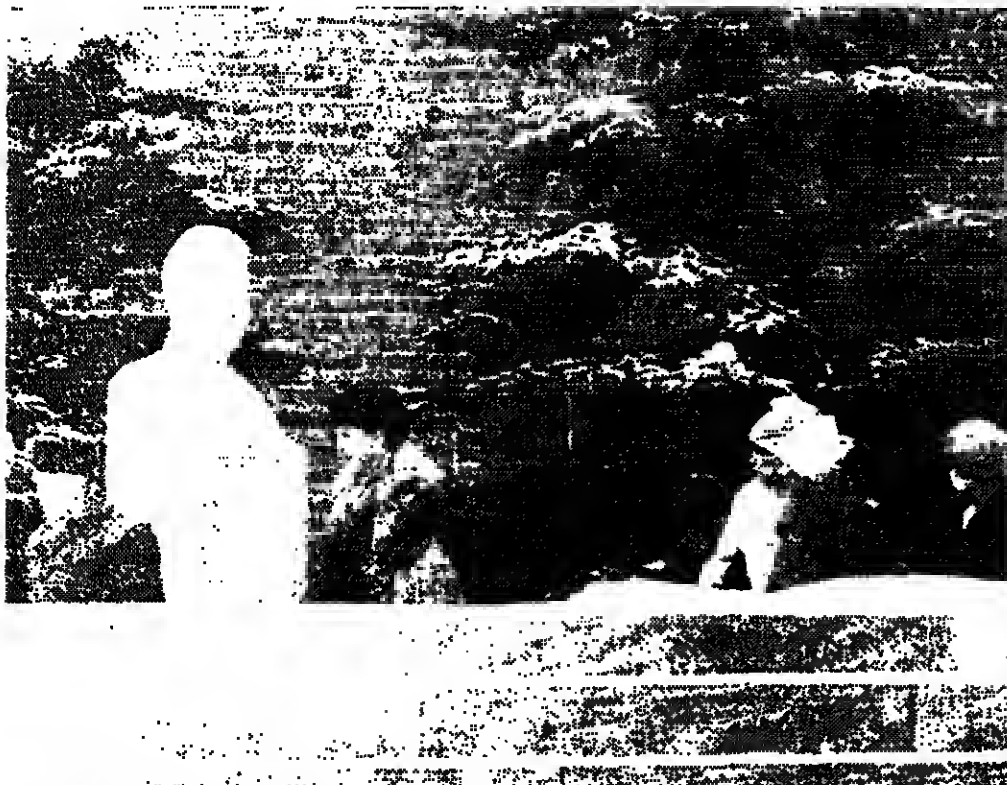
IN MUSCAT THE MOST DEMANDING TRAVELLERS STAY INTER-CONTINENTAL



Situated halfway between the airport and commercial centre, the Muscat Inter-Continental Hotel provides the ultimate in accommodation and every service for the businessman including secretarial and translation services. There is also an Olympic size swimming pool, tennis courts, squash courts.

Hotel Muscat Inter-Continental, P.O. Box 1398, Mutrah, Muscat, Sultanate of Oman. Telephone: 600500 Telex: 3481 IHC MCT MB

There are also Inter-Continental Hotels in Abu Dhabi, Al Ain, Amman, Bahrain, Dubai, Kabul, Karachi, Lahore, Malindi, Peshawar, Rawalpindi, Riyadh, Tall, and 80 other great Hotels around the world.



Russians lined up to see Lenin's mausoleum pass indifferently in front of a bust of Stalin.

Stalin Anniversary Little Noticed

Flowers Appear on His Grave, but Kremlin Is Silent

By John Burns
New York Times Service

MOSCOW — Five floral bouquets on the black granite stone atop his grave were the only visible reminders this weekend that it was 30 years ago, on March 5, 1953, that Stalin died.

Soviet citizens filing past the dictator's grave Saturday after a visit to the Lenin Mausoleum appeared scarcely to notice the bouquets. On Red Square, Western correspondents kept vigil for rumored demonstrations by pro- and anti-Stalin groups, but none materialized. In the newspapers, the occasion passed unrecorded.

The official silence accorded with the policy that the Soviet state has adopted in recent years toward the man who ruled the Soviet Union for 29 years, presiding over an era of terror, war and economic growth. There was no formal honor done to a memory that still haunts many of his countrymen and inspires many others, but the fact that the bouquets were laid on the grave before the Kremlin wall, where KGB troops maintain a 24-hour watch, attested to the ambivalent attitudes among the men who rule the country today.

One account circulating among Russians was that the dictator's family had been permitted to lay the bouquets. One of them was no-

table for its yellow and black sash, the colors of a military medal of valor, an echo of the credit that Stalin enjoys among millions of his countrymen for rallying the nation before Hitler's legions and leading them to victory in 1945.

The Soviet custom is to honor the anniversaries of births, not deaths, so the fact that it passed without official notice offered no conclusive clues to the evolution in the official view. Three years ago, the 100th anniversary of the dictator's birth was marked in an appropriately cautious manner by Pravda, which called him "a complex and contradictory historic figure," a formulation to suit many tastes.

In his native Georgia, the man who was born Iosif Dzhugashvili is still honored, his portrait hung in factories and stores, his name emblazoned on huge letters on crumbling fortresses, his home town of Gori and its Stalin Museum visited by tens of thousands of pilgrims yearly. Even the bath where he took the waters at a country spa is a shrine to his caretakers, who speak of the man with undisguised awe.

But elsewhere in the country the feelings are more complicated. As the anniversary approached, the contradictory opinions were

noisily demonstrated by an incident aboard a Moscow bus, provoked by an old lady who was elbowed aside by two young men boarding a bus in rush hour. The men were swarthy and evidently from the country's southern republics. The old lady declared cantankerously that if Stalin had been alive, "fellows like you would have been kept out this city, back where you belong."

Another passenger, responded angrily, "Stalin? How can you possibly speak of the man in such a way? He was a murderer!" Others joined in the argument, until a furious debate was under way.

The account was surprising not so much for the diverse opinions it reflected as for the fact that such a discussion had occurred at all. For the most part, Russians choose not to speak of the dictator, or when they do, to lower their voices and look around to check that there are no eavesdroppers.

For the older people who lived through the terror of the 1930s and '40s, it is an old habit, engendered by the times when a casual remark overheard by a neighbor or a passer-by could bring arrest and consignment to a Siberian labor camp, from which millions never returned. For younger people, it is a caution bred of a system that still bears many of Stalin's hallmarks.

Barbie's Return Stirs Long-Buried French Guilt

By Stanley Meisler
Los Angeles Times Service

LYONS — After talking for an hour about Klaus Barbie, the wartime Gestapo chief in Lyons, Rabbi Richard Wertheimberg escorted two visitors into the city's main synagogue and showed them photographs depicting the damage that was done to it in the summer of 1944.

The pictures showed holy Torahs unrolled, torn and strewn about the 19th-century synagogue. The arch, the altar and the benches were smashed and overturned. Captions under each photo labeled the destruction "the pillage of the Temple by the Gestapo."

Then the rabbi, in matter-of-fact tones, said that the captions were wrong.

"It was not the Germans who did this," he said. "It was the French."

He said that the Milice, a French police force working with the Gestapo, Nazi Germany's secret police, had unleashed its fury on the Jews just before the liberation of Lyons.

Rabbi Wertheimberg's remarks reflected a gnawing problem that has made many people of Lyons, and of all France, uneasy about the arrest and return of Barbie from Bolivia.

In World War II, when France was occupied by Germany, many French people collaborated with the occupation forces. The French have long dealt with that disgrace by trying to drive it out of their memory.

Barbie, who is to be tried for his alleged "crimes against humanity," may try in his defense to shift guilt to Frenchmen.

"Little by little, passions had subsided, and now they are being awakened," Monsignor Albert Decourty, the Roman Catholic archbishop of Lyons, said in an interview. "All this creates an atmosphere that I believe is extremely dangerous and unhealthy, although I have difficulty in analyzing just why I believe that."

This kind of uneasiness is reflected in the words of Dr. Frédéric Dugoujon, a key figure to the case against Barbie.

Barbie Undergoes Intestine Surgery

Reuters

LYONS — Klaus Barbie underwent a half-hour intestinal operation Sunday after being rushed to hospital from his prison cell, officials at the Edouard Bellet Hospital said.

Barbie, they said, was brought to the hospital from St. Joseph Prison for surgery on a constricted intestine. Hospital officials said he was also suffering from polyneuritis, a nervous ailment, as well as a kidney complaint.

The condition of the 69-year-old convicted Nazi war criminal was described Sunday night as satisfactory.

Barbie is to be kept under close medical surveillance for eight to 10 days, officials said.

Police officers staged the hospital as Barbie was brought there in a high-speed convoy from the prison.

State radio quoted Lyons police as saying his transfer to the hospital made guarding him more difficult.

Much of the notoriety of Barbie, who was known as "the butcher of Lyons," has come about as a result of the torture and murder in 1943 of Jean Moulin, a hero of the French Resistance.

It was at Dr. Dugoujon's home in the suburb of Caluire-et-Cuire that Barbie and a Gestapo unit arrested Moulin. Dr. Dugoujon and several others. Years later, French courts twice tried and acquitted a Frenchman, René Hardy, on charges of betraying Moulin that day.

Speaking in his office in that same house, Dr. Dugoujon, who is now the mayor of Caluire-et-Cuire, said recently that he felt a kind of relief at the arrest of Barbie.

"It is intolerable that he should continue to live in tranquility like you and me," Dr. Dugoujon said. "He doesn't deserve it."

Yet the mayor, who is the same age as Barbie, was troubled by the



Ute Messner, 42, the only living child of Klaus Barbie, told reporters Saturday after meeting with her father at a Lyons prison: "I did not know him as someone who had been in the war. He is still for me my father, a very good father, not a war criminal." At right is her husband, Heini Messner, and at left is Barbie's attorney, Alain de la Serrette.

opportunity that will be given the former Gestapo chief to smear the Resistance by accusing Frenchmen, perhaps falsely, of being his informers.

"I deplore with all my heart," Dr. Dugoujon said, "that it is a German and what a German! — who'll be set up as the judge of those things that should be the responsibility only of us French."

Few Frenchmen ever expected to see the return of Barbie to France. Barbie, in charge of the Gestapo in Lyons from 1942 to 1944, was living in easy and seemingly safe refuge as a businessman in Bolivia. Bolivian officials rejected all requests to send him back to either France or West Germany.

But a leftist government took over from Bolivia's military rulers in October, and the French government of President François Mitterrand asked the new government to give up Barbie. To the shock of

Barbie and to the surprise of many people in France, the Bolivians agreed, and Barbie was deported last month.

Barbie, now in custody in Lyons, has been accused in general of ordering the execution of 4,000 people and the deportation of 7,000 others to concentration and extermination camps. But the official charges he faces are more limited.

The court has officially charged Barbie with the arrest, torture and execution of 294 people and the deportation of 650 others, half of them Jews, to concentration camps.

The relative narrowness of the charges does not quiet the uneasiness in Lyons, for there is widespread suspicion that Barbie will have ample opportunity at the trial, which may not begin for a year, to revive old feelings about the collaboration between the Nazis and French.

The disquiet about the Barbie case extends into Lyons's Jewish community of about 55,000 people. Rabbi Wertheimberg, for example, fears that the trial may avenge from what he regards as its true purpose.

"We wanted it to be a trial about genocide, racism, anti-Semitism and intolerance," he said. "But it is evident that some people will use it to try to show that the Resistance was not as united as we thought, to try to show that resistance was a myth. But I think that, in the end, the historic truth will make things fall into place."

The rabbi, 36, said of older Jews: "The older generation does not want to forget, but they do not want to relive their nightmares. They are forced to think about the nightmares at night, but they do not want to think about them during the day."

Ceausescu Assails Reagan Threat To Alter Romanian Trade Status

The Associated Press

BUCHAREST — President Nicolae Ceausescu has denounced "repressive measures" to international trade in apparent response to official U.S. announcements

that Romania may lose preferential trade treatment by the United States because of its tax on emigration.

President Ronald Reagan announced Friday that the most-favored-nation status for Romanian commodities would be revoked effective June 30 unless the tax, which is based on the state subsidies of the high school and university education of would-be emigrants, is dropped.

Mr. Ceausescu chided "some states disregarding the norms of international relations, especially in the economic field," by imposing "repressive measures," including economic and other sanctions, according to official reports published in Romania.

Addressing an annual meeting of army commanders and chiefs of staff, the Romanian leader also announced that a freeze in effect on military spending since last year might be revised in 1985 if no effective East-West disarmament were achieved by then.

He said that if there was no progress, "we will undoubtedly be obliged to reconsider the situation," according to an account of his speech published in the Saturday issue of the Communist Party newspaper Scinteia.

Romania's military budget this year is 12.7 billion lei (slightly over \$1 billion at the official exchange rate), the same as in 1982.

Mr. Ceausescu said Romania's army would "generally" be contained within national borders, "as we don't have any concepts to act against any nations." He said that "only in the emergency of chasing away our enemy will we have to cross the border to defend our homeland" and repel "imperialist aggression."

Romanian troops have not participated in Warsaw Pact exercises outside the country in the past 20 years, nor has the Bucharest regime

permitted exercises by the pact within Romania since 1964.

Mr. Ceausescu said Romania's war strategy was based on turning "every locality, industrial enterprise and farm unit" into a "powerful stronghold capable of insuring under any circumstances both production activity and the defense" of the country's independence.

He called for increasing military order and discipline and demanded better "battle means" and improved firepower. He pledged Romania's determination to carry out its past obligations if necessary and to "permanently" cooperate with the armies of "socialist neighboring countries."

Romania has common borders with three pact allies — the Soviet Union, Hungary and Bulgaria — and with nonaligned Communist Yugoslavia.

ILO to Put China On Ruling Body

Reuters

GENEVA — China, which plans to resume its participation in the International Labor Organization in June after a 34-year absence, will take Canada's place among the 10 permanent members of the ILO's governing body.

China is the only new nation on the list issued Saturday, which also includes Brazil, Britain, France, India, Italy, Japan, the Soviet Union, the United States and West Germany. The body also comprises 18 other government members, 14 employer members and 14 worker members.

China was a founding member of the United Nations agency in 1919. As part of the agreement to return, China will not have to pay the \$36.4 million it owes in membership fees.

Solidarity Leader Seized; Trials Reportedly Begin

Reuters

WARSAW — The police have arrested a prominent official of the banned Solidarity union in Warsaw, and reports have reached Warsaw that a number of detained union activists are going on trial in other parts of the country.

Alexander Malachowski, 58, a journalist, was arrested Wednesday. His wife, who is paralyzed and requires her husband's help to get up, was quoted as saying he was formerly arrested Friday evening. She said she did not know what charges had been leveled against him.

Mr. Malachowski is a member of Solidarity's national coordinating committee and a deputy chairman of its Warsaw reviewing commission, a panel that oversees local government policies.

The police searched his home before arresting him. They also asked him questions about whom he had been meeting recently, but Mrs. Malachowska said he declined to answer them.

Mr. Malachowski was interned with thousands of Solidarity officials when martial law was declared in December 1981. He was held for four months, and suffered a minor heart attack while in detention. He was later retired from his job as an employee of the state broadcasting service.

The arrest came as a number of Solidarity leaders were facing court proceedings elsewhere in Poland. In Katowice, southern Poland, Solidarity sources in Katowice said a provincial court sentenced an unidentified former union activist last week to three years in prison for setting up an underground organizing committee.

The sources said he had been tried on charges of creating a criminal gang.

Attempts to organize unofficial unions have been prohibited since October, when the government banned Solidarity and all other nongovernment unions. They have been replaced by official union cells at individual enterprises, but the government has had little success in attracting membership.

Five Solidarity officials went on trial Thursday in the northern town of Elblag on charges that they caused a disturbance last summer at an interunion camp in Kwidzyn, north of Bydgoszcz.

Witnesses said at the time that prison guards beat prisoners severely in quelling a protest against restricted visiting hours. One man who was due to appear as a defendant was still in a hospital.

In August, Poland's Roman Catholic primate, Jozef Glemp, read a letter to pilgrims to Czestochowa, to which a woman complained that her son had been beaten at the camp on Aug. 14.

This Wednesday, the trial of Anna Walentynowicz, a former welder and crane operator who was a symbolic figure in the early days of Solidarity, is due to start in Grudziadz, 120 miles (193 kilometers) northeast of Warsaw. She was arrested Sept. 1 after being involved in a hunger strike.

She is to be charged with pursuing union activity. Underground bulletins said she has been accused of trying to organize a strike to the Lenin Shipyard after martial law was declared.

Mrs. Walentynowicz, 53, was dismissed from a Gdansk shipyard in August 1980. That action precipitated the strike that led to the creation of Solidarity. The government later acceded to the protesters' demands for her reinstatement.

The rabbi, 36, said of older Jews: "The older generation does not want to forget, but they do not want to relive their nightmares. They are forced to think about the nightmares at night, but they do not want to think about them during the day."

U.K. Sentences Arabs in Israeli Envoy Shooting

By Peter Osnos
Washington Post Service

LONDON — Three Arab men have been sentenced to 30 to 35 years in prison after a jury convicted them of the attempted assassination of Israel's ambassador to Britain, Shimon Argov, who was critically wounded outside a London hotel in June.

The men were members of a Baghdad-based Palestinian group that had been sent to London to attack Jewish targets, the prosecution said. The Argov shooting, one of several attacks on Israeli diplomats in Europe last year, was cited by Israel when, three days later, it invaded Lebanon and demanded the withdrawal of all Palestinian forces there.

The three men, Hassen Said, 23, and Marwan Banna, 20, both from Jordan, and Nassef Rosan, 36, from Iraq, were convicted Friday in London's Central Criminal Court. Mr. Said, who fired the shots, was given a 30-year sentence, as was Mr. Banna, driver of the getaway car. Mr. Rosan, who was also in the car and whom the prosecution described as the leader of the group, received a 35-year term because, the judge said, he is "older and deserved more substantial punishment."

Mr. Argov, 52, who is being treated in a Jerusalem hospital, was shot in the head. He is paralyzed except for slight movement in his left hand and finds it difficult to speak, the jury was told.

The prosecution said the three men were members of the Palestine National Liberation Movement, a breakaway faction of the Palestine Liberation Organization headed by Yasser Arafat, also known as Abu Nidal. Abu Nidal is a bitter enemy of the PLO leader, Yasser Arafat, and has been sentenced to death in his absence by Mr. Arafat's el-Fatah organization.

The three Arabs arrived in Britain in 1980 or 1981 and took language courses while preparing for "acts of assassination or sabotage," the prosecution said. It said they spent considerable time collecting information about Jewish interests and personalities in London, including top secret details of security at the Israeli Embassy.

Police found lists in their apartments of prominent British Jews and Jewish institutions, including kindergartens and synagogues. Also discovered was a cache of weapons, including four Soviet-made grenades.

Judge William Mans-Jones said that the men were clearly intent on a "sustained and bloody campaign of terror." He told them: "We will not tolerate gangs of terrorists operating in this country or their campaigns of violence being conducted in this capital city."

Mr. Argov was shot as he was leaving a dinner at the Dorchester Hotel in central London on June 3. Mr. Said fired a Polish submachine gun at the ambassador's head and attempted to flee. But Mr. Argov's British police bodyguard, Colin Simpson, chased Mr. Said down an adjoining street and shot him in the neck, the prosecution said.

The other two sped away to an automobile, but their license number was noted by a security supervisor at the nearby Hilton Hotel. They were apprehended in south London within hours of the attack.

The Arabs listened impassively to the sentencing. They had professed innocence throughout the investigation and trial.

Mr. Said fired a Polish submachine gun at the ambassador's head and attempted to flee. But Mr. Argov's British police bodyguard, Colin Simpson, chased Mr. Said down an adjoining street and shot him in the neck, the prosecution said.

The other two sped away to an automobile, but their license number was noted by a security supervisor at the nearby Hilton Hotel. They were apprehended in south London within hours of the attack.

The Arabs listened impassively to the sentencing. They had professed innocence throughout the investigation and trial.

Mr. Said fired a Polish submachine gun at the ambassador's head and attempted to flee. But Mr. Argov's British police bodyguard, Colin Simpson, chased Mr. Said down an adjoining street and shot him in the neck, the prosecution said.

The other two sped away to an automobile, but their license number was noted by a security supervisor at the nearby Hilton Hotel. They were apprehended in south London within hours of the attack.

The Arabs listened impassively to the sentencing. They had professed innocence throughout the investigation and trial.

Mubarak Rules Out PLO Radio

United Press International

CAIRO — President Hosni Mubarak says he will not allow the opening of a Palestinian radio station in Cairo "because we cannot tolerate the existence of a state within a state."

Mr. Mubarak also took issue Saturday with Palestinian statements that he said implied his regime was not nationalist and that he said incited the people and army to revolution.

Mr. Mubarak, addressing a rally of his Nationalist Democratic Party, said: "We will not allow the opening of a Palestinian radio station in Egypt. The only radio station on Egyptian soil is Egyptian

and for the sake of Egyptians. We cannot tolerate the existence of a state within a state, and they should know that Egypt is above everybody."

A radio station run by the Palestine Liberation Organization in Cairo was shut down by President Anwar Sadat after his visit to Jerusalem in November 1977.

Despite denials by the PLO chairman, Yasser Arafat, diplomatic sources said the reopening of the station was one of Mr. Arafat's conditions for improvement in relations with Egypt.

Mr. Mubarak strongly objected to the concluding declaration issued by the Algiers meeting of the

Palestinian National Council, the PLO's parliament-in-exile, which met last month.

"We were optimistic at first, but the council issued a declaration that attacked Egypt and the Egyptian regime," Mr. Mubarak said.

The Algiers declaration affirmed support for "the struggle of the Egyptian people and its nationalist forces to end the Camp David policy so that Egypt may regain its position of struggle in the heart of the Arab nation," which is their term for the Arab world.

Mr. Mubarak said: "We cannot accept what they claimed in Algiers, that there are nationalist and nonnationalist forces in Egypt."

"Egypt's population is 45 million and they are 45 million nationalists," he said.

Mr. Mubarak also objected to a statement by Mr. Arafat's second-in-command, Abu Iyad, that "it was up to the Egyptian people and army to correct the erroneous policy of Camp David."

Mr. Mubarak said the remark amounted to inciting the Egyptian people and army against the government.

"But they should know that the Egyptian people and army cannot move against the regime that they have chosen," he said.

POUR PARTICIPER ENSEIGNEMENT DE GESTION DE MONT MONTRE A PARIS

recherches collaboration

PRATICIENS DES TECHNIQUES DE MANAGEMENT

Diplôme Grande Ecole nécessaire, formation complémentaire aux U.S.A. appréciée.

contact par courrier : **3E Consultants**

74, avenue Mable 75016 Paris

FULL OF FINANCIAL MUSCLE....

It is read by more businessmen in banking and finance than any other UK weekly.

It is read by 85% of all stockbrokers investing in foreign securities; by 86% of all institutional investors and fund managers.

Its readers have financial muscle. So does its advertising.

To find out just how cost-effective advertising in the Investors Chronicle can be, contact:

INVESTORS CHRONICLE

International Advertisement Manager
Investors Chronicle
Greylocks Place,
Pier Lane,
London EC4A 1NL, England
Tel: 01-405 6949 Telex: 883694 IC LON G

La Scala's Curtain to Rise on Italian Leather

By Hebe Dorsey
International Herald Tribune

MILAN — La Scala plans to open its doors Thursday to its first fashion show — a collection by Nicola Trussardi, the Italian leather tycoon.

Twelve years ago, Trussardi took over the company started by his grandfather in 1907, turning a family glove factory into an empire that includes both fashion and industrial design. The show this week will be Trussardi's first.

His short collection, to be presented at the black-tie gala for 350 guests, is to be followed by singing by Luciano Pavarotti, the opera star.

How did Trussardi get to the famed opera house? By asking, he said. And by paying, perhaps? Yes, he said, although he would not disclose how much.

Milan's mayor, Carlo Tognoli, plans to host at a black-tie dinner for the fashion people in town this week for the fall and winter ready-to-wear collections. Paid for by the city and the 30 fashion houses showing their collections, the event is to be held at the Palazzo Sforzesco.

Another highlight of the week is the anticipated return of the prodigal son, Gianni Versace, the flamboyant king of Italian fashion, who designs the only truly sexy clothes in town. After several seasons of going it alone, Versace is to join his fellow designers at Modet, a fashion fair that groups the top Italian talents.

Finally, Giorgio Armani, who has been in self-exile for the last couple of seasons, is mending his fences and showing again. It appears that he, too, will be at Modet next season.

The first glance at major designers reveals a longer, fuller look — lots of black and grey and cavalry themes.

Versace has found inspiration for both his collection and his sister Donatella's wedding dress in Wagner. The look springs from the costumes Versace is designing for a Maurice Béjart ballet.

Gianfranco Ferre has softened his look without losing his sharpness, and his craftsmanship and strong sense of design will be evident in his new collection.

The Italians are closing ranks in front of a stronger Paris and a threatening Tokyo.

In times of crisis, Versace said, "the strength of Italian fashion is to be united."

In the last couple of seasons, after a few triumphant years, the Milan collections have been weaker, and Japanese designers have started attacking the strong Italian textile export markets.

The fashion schedule, which leaves a one-week gap between Milan and Paris, has forced many

busy store presidents to choose between the two cities. Predictably, they have opted for Paris.

"Let's face it," said Aldo Pinto, husband of Mariuccia Mandelli, who designs for Krizia. "If we were a company, Paris would be president and Milan vice president."

All in all, Pinto, whose Krizia collection has been doing well in the United States, is cautiously optimistic.

"The top-dollar market never suffered as much as the moderately priced lines," he said. "In America, the mood is not euphoric, but retailers are in a better mood than last season. There is sign of improvement. In Germany, too. A strong dollar has helped us and, despite raising raw materials prices, we have been able to hold our prices down for the first time. So, let's hope for the best."

The Milan shows, which opened Sunday, is to close Thursday and Paris will pick up the ball March 17.

6 Die in Fall of High-Rise

United Press International

CAIRO — Six persons were killed and at least 14 were injured dead after a 10-story building in suburban Heliopolis collapsed early Sunday.

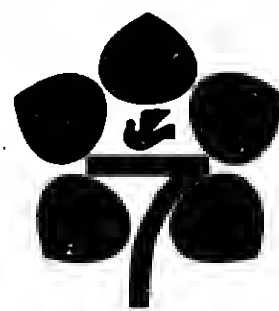
parties:
INVESTMENT
BEL
Shrimati Indira
Chairman of
Sutarna in the
IN New
principles
India is
to assure
time in
In the p
but grow
Its basic
formulas
The ma
levance
political
Underly
seven h
peace a
The Sev
of globa
of ideol
SPONSORED

BELGRADE TO NEW DELHI

Seventh Non-Aligned Summit



Mrs. Indira Gandhi, Prime Minister of India, takes over as Chairman of the Non-Aligned Movement at the Seventh Summit in New Delhi, for the next three years.



"We represent nations which, amidst their colourful diversity, are united in their unvarying search for freedom, equality, peace and stability; for their own peoples and for all the world. Non-Alignment is the courage of true independence."

Indira Gandhi

IN New Delhi the Seventh Non-Aligned Summit is reinforcing and rededicating the principles which have sustained the movement since its beginnings in 1961.

India is privileged under the leadership of Mrs. Indira Gandhi, Prime Minister, to assume the Chairmanship of the movement, for three years at this critical time in world affairs.

In the past two decades, non-alignment has come a long way. It has not only survived but grown from a membership of twenty-five to ninety-seven.

Its basic principles have become the established touchstones by which to test the formulas of world peace.

The major theme of the Seventh Summit will be to demonstrate the continuing relevance of the movement in the 'eighties and to search for progressively larger areas of political, economic and cultural cooperation.

Underlying the national policies of the non-aligned nations represented by ninety-seven heads of States and their foreign ministers, is a basic policy of seeking world peace and relating this to the development needs of the third world.

The Seventh Summit is an assurance that non-alignment will be heard — for the cause of global peace, constructive cooperation, and concentrated development, irrespective of ideology and national differences.

SPONSORED BY



PREMIER TYRES LIMITED

Merchant Chambers,
41, Sir V. Thackersey Marg,
Bombay-400 020. INDIA.

Herald Tribune

Published With The New York Times and The Washington Post

Argentina's Promise

Argentina, which last year defied Margaret Thatcher, now proclaims its defiance of her countryman George Orwell. President Reynaldo Bignone has announced that 1984 will be the long-awaited year of freedom, when the military will finally yield power to an elected government of civilians.

Nothing in the military regime's seven-year record would become it so well as this to honor its word, first given after the debate in the Falkland Islands. In fact, the military's retreat to the barracks might even cause a more favorable international view of Argentina's claims to Falkland sovereignty.

The armed forces, which enjoyed broad support when they overthrew Isabel Peron in 1976, are now thoroughly discredited. Defeat in the Falklands war is the most dramatic explanation, but only a partial one. The regime's reputation is also stained by the thousands of "disappeared" victims of its dirty war against domestic terrorists. Most appear to have been murdered without benefit of judicial process, leaving in doubt how many had even remote links to terrorist crimes.

The economy, whose wreckage was a major justification for the 1976 coup, is again in ruins. Inflation runs in triple digits and still rises. Foreign debt is staggering. Unemployment, once inconceivable in underpopulated

Argentina, is now in double digits. Caught between the effects of inflation and recession, living standards have been badly battered.

Argentina's recent civilian governments have not done much better in economic management or in human rights protection. The promised transition may be yet another futile Argentine alternation. But some reasons for hope can be found.

Terrorism, the curse of the 1970s, seems all but tamed. Peronism, the mass movement of the urban working class, is no longer a monolith. Juan Peron, the old dictator, is gone, and Isabel, his widow, has not inherited his charismatic appeal. New and attractive leaders have come forward to lead the Radical Party, the traditional voice of the middle class and the source of successful civilian governments in the past. Among middle- and upper-class conservatives, the military no longer appears a viable alternative even if civilians fall.

The new government, which is to be elected in October for its inaugural next January, should have a better than even chance to redeem the reputation of civilian rule. If so, it can help redeem Argentina's reputation in the world. A succession of strutting strongmen has brought a proud and well-endowed people only contempt and casualties.

—THE NEW YORK TIMES.

On Labeling Films

The unfortunate decision by the U.S. Justice Department to label three Canadian documentary films "political propaganda" involves two films about acid rain and one, which has been nominated for an Academy Award, about nuclear disarmament. Not one of the three threatened the box-office reign of "E.T." But now many otherwise indifferent people will want to see them to learn what the fuss is about. What is so threatening about these documentaries that they must be labeled and shown only with a disclaimer that the U.S. government does not approve of them? Why should the Justice Department need, want or be given a list of those to whom the film is shown? What country is this? What decade?

Dozens of films, American and foreign, could be characterized as political propaganda of some sort. But U.S. society thrives on free political discourse. It is essential to the democratic form of government Americans have chosen and are constantly trying to perfect. And the taking of names of citizens who express or even choose to listen to unpopular argument is absolutely contrary to the values held by Americans.

Yes, the Canadians believe that particles from U.S. smokestacks are killing fish in their lakes, and many in the American government do not believe that the case has been proved. And certainly there is much to be said on eve-

ry aspect of nuclear disarmament, and the film in question takes one point of view. But the way to counter "political propaganda" is to add to the dialogue, not stifle it.

The State Department, for example, has good reason to believe that another picture nominated for an Academy Award, "Missing," is an inaccurate account of events during the coup in Chile. The department countered by issuing press releases and otherwise vigorously arguing its case. Why cannot this method be used with films made by foreign governments or their agents?

The Foreign Agents Registration Act allows all the actions taken by Justice Department officials in these cases. According to the department, at least 25 films distributed by agents of foreign governments are reviewed each year and about half of them are found to be "political propaganda."

There is nothing wrong with notifying viewers of these films that they have been prepared by foreign governments or with the U.S. government's presenting another side of the story. But labeling films as "propaganda" and keeping lists of viewers are disturbing and intimidating practices. The law was written in a different era. Surely Americans now have enough faith in themselves and enough reverence for the First Amendment to change it.

—THE WASHINGTON POST.

Other Opinion

Guns or Growth

Hundreds of millions of the earth's inhabitants are today hovering on the verge of starvation. And yet both the advanced and developing countries are feverishly engaged in hammering together "floating fortresses."

In the past half-century Japan has gone through two great historic experiences. One was that of harboring ambitions as a strong military power and thereby ruining its national economy. The other was a national focus on civilian industry and consequent high economic growth. Far more active efforts should be made on our part to drive these lessons home to the developing nations.

There is no shortcut to economic development. Unless the people in those countries come to place more value on economic uplift through their own sweat and tears rather than through an emphasis on armaments, there is nothing that can be done to put them on the smooth road to economic development.

—Toshio Hatano, Asahi Shimbun (Tokyo).

Spanish Reforms

Spain's first Socialist government since the Civil War has lived up to its handsomeness to its assurances of moderation that some left-wing critics are beginning to wonder what it would find to do after its first 100 days were up, as they nearly are, given that it had done so little during them.

The expropriation of Rumasa, the country's largest holding company and private-sector employer, may have dispelled such thinking. (Nor should it be forgotten that the cabinet of Mr. Gonzalez has formally put before parliament the legislation of abortion in the teeth of ecclesiastical opposition and personal intervention by the pope; it has also run a much needed new broom through the most pampered bureaucracy in Europe.)

—The Guardian (London).

The Pope's Tour

As the pope visits Central America, he can offer more in the way of spiritual comfort than political guidance. These small states are the debris of empire, lacking much of specific national character or social cohesion.

[The pope] did well not to cancel his visit to Guatemala simply because the government went through with the execution of terrorists. The visit will not be interpreted as a sign of approval for the regime. He has much to offer by preaching the basic Christian doctrines of personal and social obligation, as they fall on the rich and powerful, poor and humble, dissident, teacher and priest.

—The Daily Telegraph (London).

Soviet Psychiatry

The enforced resignation, tantamount to expulsion, of the Soviet Union from the World Psychiatric Association at the end of January marks a notable precedent. It is the first time since the Second World War that the Soviet Union has been driven out of an international forum of kind.

Two questions prompt two questions. Will it affect the welfare of the estimated 6,000 dissidents currently suffering psychiatric abuses, who will doubtless continue to be persecuted by one method or another? Does it throw any light on the present Soviet regime and in particular on Mr. Andropov himself, who was head of the KGB when psychiatric abuses to combat dissidence became most common?

[If the Russians] wish to recover a semblance of respectability through membership of such bodies, there is at least a chance they may consider phasing out the abuse of psychiatry and release such men as Dr. Anatoli Ryabinin, the distinguished psychiatrist who was deposed last year for protesting the preservation of his own profession.

—The Times (London).

FROM OUR MARCH 7 PAGES, 75 AND 50 YEARS AGO

1908: Britain Gets Letter

LONDON — The sensation that for the moment has eclipsed all other here is the startling announcement in The Times that the German emperor recently addressed a letter to Lord Tweedmouth on the subject of British and German naval policy and that the letter amounts to an attempt to influence in the interests of Germany. The Times says that it believes the letter will cause a shock of painful surprise and just indignation to the British public. It calls for the publication of the German letter and the reply and administers a rebuke to the first lord of the Admiralty because he has apparently waited for pressure from outside before laying such a communication before Parliament.

1933: Victory for Hitler

BERLIN — Adolf Hitler [yesterday] wiped out the memory of his defeat at the hands of President Paul von Hindenburg, just a year ago, and stands indisputably Germany's "man of destiny," as was France's other "little corporal" somewhat more than a century ago. A Nationalist landslide carried the Harzburg Coalition of Nazis and Royalists, led by the chancellor as the chief of the National-Socialist movement, into control both of the Reichstag and the Prussian Diet. For the first time since the revolution of 1918, opponents of the republic have won the support of a clear majority of the German people, thereby making possible the work of counterrevolution along constitutional lines.

Battle Lines to Be Eased at Nonaligned Summit

By Joseph Kraft

WASHINGTON — The summit meeting of the nonaligned movement in New Delhi this week provides a kind of sobriety test for the Third World. A change in the venue and the leadership of the affair facilitates reversal of a recent tilt toward Moscow.

Stringent economic conditions foster a sense of realism. The drift of politics in the developing countries creates opportunities for leaders interested in keeping up the decencies toward the United States.

Havana was the site of the last session of the nonaligned countries, in September 1979. Fidel Castro dominated the proceedings. A distinctly anti-American tone pervaded speeches and resolutions. No sin of imperialism went unnoticed. But a blind eye was turned toward glaring cases of troublemaking by the Soviet Union in Asia, Africa and South America.

Prime Minister Indira Gandhi, the host, should be the lead figure this time. She has been put under pressure by the recent riots in Assam to show an instinct for law and order. The Soviet occupation of Afghanistan gives her motives to stand up, on her own behalf and that of her neighbors, to Moscow. So her influence should work toward holding the line against the Kremlin and its protégés in Cuba, Libya, Ethiopia and Syria.

Some wind has already been taken out of

radical sails by economic difficulties. Debt problems will make several important countries keen to show credit-worthiness to the grooves of New York, London and Zurich. Argentina, which is a new member, and Brazil, Mexico and Venezuela, which are observers on the way to membership, are expected to work to dampen enthusiasm for spitting in the eyes of the have countries.

Oil-exporting nations now fight for markets in the developed world. Kuwait and Algeria have come off that famous radical put-on — the call for a New World Economic Order. Indeed, the Algerian leader, President Bendjedid Chadli, in a notable step toward moderation, recently buried the hatchet at a meeting with his strongly pro-American neighbor, King Hassan II of Morocco.

The military rot suffered by the Palestine Liberation Organization in the Lebanese fighting has humbled a main source of radical radicalism in the Arab world. The Syrians did not show to much better advantage, and the war between Iran and Iraq ties up two more paladins of radical nationalism.

Serious regimes with a stake in steady progress toward concrete goals have benefited in consequence. Egypt stands on the verge of re-

joining the Arab world, and President Hosni Mubarak should be a key player at the Delhi meeting. King Hussein of Jordan will cut a figure as the principal arbiter of the Arab-Israeli struggle. So will King Fahd of Saudi Arabia, the major influence in oil price decisions.

Recent political change on the northern shore of the Mediterranean has brought socialist governments to power in Spain and Greece. The Greek leader, Andreas Papandreu, is a particular thorn in the American side. But his interest in New Delhi will be to team up with Felipe Gonzalez of Spain and the Yugoslavs, who are founding members of the nonaligned movement, in a southern bloc. Together they will at least go down the middle between Washington and Moscow.

Censure of American policies, to be sure, cannot be entirely avoided. Indeed, the Reagan administration could do with a little public shaming on such matters as arms control and a more generous approach toward the financial problems of the developing world. But criticism, this time, should be balanced by pressure on the Soviet Union. Moreover, the anti-American comments will surely be milder at Delhi, 1983, than in Havana, 1979.

The temptation for the Reagan administra-

tion, in these conditions, will be to stay the course. The president and his men can fairly argue that a show of firmness paid off. By carrying the favor of the nonaligned movement, Ronald Reagan did far better than Jimmy Carter, who pandered to his opponents. It follows that there is little need for concessions.

A different line of reasoning, however, yields a wiser conclusion. The welfare of the industrialized world, including the United States, is increasingly bound up with the health of the developing countries. On that ground alone, it makes sense to encourage evolution away from a pro-Soviet ideology toward a more realistic balanced position.

The more so as the United States has much to gain from an easing of ideological hostilities. In a looser atmosphere where allegiance to one camp or another is not absolutely required, several countries now fighting bloody wars with Moscow, notably Romania and Poland, can edge toward the United States.

So if the New Delhi session does reflect sobering up by the Third World, there is reason for Washington to adjust American policies accordingly. Now that basic principles have been re-established by the Reagan administration, the United States' interest lies in a more away from an embattled world.

Los Angeles Times Syndicate



Quebec Separatists Expanding Case

By Stephen Blank

NEW YORK — In the next few months, Premier René Lévesque and the other leaders of the Parti Québécois will renew their drive to achieve independent political status for Quebec. This time, they will emphasize economic as well as linguistic issues and, recent statements suggest, will press for sovereignty in the context of some sort of "North American Common Market."

This is important because Quebec's leaders, however awkwardly, are asking critical questions about current political arrangements in North America in the midst of eco-

nomic crisis. In the past, Quebec's demands for political autonomy rested mainly on the belief that this was the only way to preserve the province's cultural and linguistic identity. What is new in the case for separatism is a growing sense of economic urgency.

The leaders of the Parti Québécois emphasize that this is not the bottom of a typical recessionary cycle but a permanent change in the political economy of North America and the world, with a long period of low growth and high unemployment.

From their perspective, Canada's economic decline has revealed the "heavy cost for Quebec of being part of Canada." They feel that Ottawa, in its efforts to cope with the economic situation, is moving further to centralize political power, as evidence, they point to Ottawa's determination to prevent provincial governments from owning more than 10 percent of interprovincial transportation companies and the Supreme Court decision rejecting Quebec's contention that it had a veto over constitutional issues.

More widely, they contend that Canada cannot survive in this new economic environment without political change. These changes must result in the decentralization of political and economic power. In the Great Depression, political centralization was the result of economic crisis; now less centralization is required, they say.

But for much of Canada, they argue, the logic of decentralization and regionalization leads north-south, across the border with the United States, rather than east-west. The United States and Canada are each other's largest trading partners; almost 70 percent of Canada's exports flow south to the United States. Moreover, by 1987, when the Tokyo Round of tariff reductions are complete, 75 to 85 percent of trade between the two will be duty free.

In their view, Prime Minister Pierre Elliott Trudeau has been trying for 20 years to push against the evolving pattern of trade and economic development in North America. As one Quebec minister observes, efforts to encourage eastern Canada to sell to westerners in Vancouver when the natural market is to the south lack any sense of reality.

But while the leaders of the Parti Québécois are optimistic about Quebec's prospects as an autonomous entity, they are aware that Quebec cannot survive on its own, and they are deeply concerned about Canada's economic fragility and about the increasing danger of protectionism in the United States. They fear that Ottawa's energy and foreign investment policies and Washington's "Buy American" and other nontrade barriers are dangerous steps toward the balkanization of the continent.

Their answer is a common market of the "three nations north of the Rio Grande," a new political arrangement that would link the economies of these nations in a mutually supportive system.

There argument should not be dismissed casually. We cannot expect a return to the growth economy of the 1960s, and the effect on Canada may be severe. With falling energy and commodity prices, with a dated industrial sector and with inflation still running higher than in other industrial nations, Canada is in trouble.

In effect, Quebec's leaders are addressing an issue neither Washington nor Ottawa is prepared to confront: the political implications of the current economic crisis and the need to think in continental terms. In the last two years, relations between the two nations have been as poor as they have been in decades. The bickering has diminished in recent months, but nowhere on the agenda is the question of continental collaboration. In a world of rising protectionism and shrinking trade, a North American common market that builds on the natural flow of trade across the border could help to limit political conflict and sustain economic well-being on the continent.

The author is a member of Multinational Strategies Inc., a research and consulting organization. He contributed this commentary to The New York Times.

Time Slipping Away On Chemical Arms

By Enrico Jacchia

GENEVA — West European governments have made an unusual number of statements during 1982 supporting negotiations to ban chemical weapons. It is a symptom of malaise felt in most European capitals and destined to increase in the coming months.

The representatives of the nations that have been negotiating in Geneva for more than 10 years on a draft treaty for the interdiction of chemical weapons are faced with a seemingly impossible task. Pessimism prevails among the delegations.

On the other hand, the United States, which has observed since 1969 a moratorium on production of chemical weapons that has not been matched by the Soviet Union, is about to resume full-scale production of the most dangerous of those weapons: the binary nerve gases.

A part of the binary program submitted to Congress for fiscal year 1983 was intended for the equipment of the United States' NATO allies. The House of Representatives rejected last July the global procurement request by a vote of 251 to 159. Congress, however, will probably reconsider the measure in the coming months during the budget debate for fiscal year 1984.

The European governments, who were not formally consulted in advance by the U.S. administration last year, are reluctant, for obvious domestic reasons, to be associated with the U.S. binary program. The European question is already causing some trouble, many politicians say. They see no need to increase their problems now by planning the installation of U.S. nerve-gas depots in western Europe.

This concern is understandable because Europe is considered by military strategists to be the ideal theater for the use of nerve gases at the start of military operations. A similar uneasiness has been noted in the capitals of several Warsaw countries, even though in those countries such preoccupations do not surface easily.

The Soviet Union and the United States are the only powers that declare that they possess stocks of nerve gases, although France too is reported to have some. Last summer Moscow submitted to the Committee

on Disarmament in Geneva a new proposal that accepts the principle that international inspections be conducted on-site to verify that chemical weapons are not being produced and that stocks have been eliminated, but that was met with skepticism in Western capitals.

Following Vice President George Bush's February visit to Geneva, the United States offered Washington's latest thinking on the subject. The content is on verification procedures. Extensive conversations with experts of both sides convinced me that the abyss still divides Washington and Moscow on the concept of how an international verification system must be implemented.

Although the two major powers are slowly narrowing the gap, it will take years at this pace to achieve tangible results. In the meantime, the ability for production of the binary will be completed. Fine Bluff, Kansas, and the Soviets will further increase their already huge stocks of those weapons.

The techniques of manufacturing these binary nerve gases will hardly remain secret once their mass production is started in the United States and the Soviet Union.

Nerve gases, which kill human beings by a chemical mechanism similar to that of insecticides, are formed by combining two chemical compounds, each of which is comparatively easy to produce. Eastern and Western scientists familiar with this technology agree that almost any country of the Third World, even ones with a low level of scientific and industrial development, could produce the two compounds.

The possibility that these weapons may be used in Europe and the risk of their spreading to developing countries has prompted new proposals for the creation of zones around the world that would be free of chemical weapons. The disarmament commission over which Olaf Palme presided has recommended one for Europe. Many think this is a Utopian concept. Others, however, are hopeful that such a breakthrough in Europe might buy time for the working out of a worldwide solution.

International Herald Tribune

LETTERS TO THE EDITOR

Making a Distinction

Regarding "The Moral Difference," (Letters, Feb. 24):

We would like to help John V. Whitehead learn to make moral distinctions.

When a person plans and executes a crime, he is guilty of intentionally committing it. Such a person is Klaus Barbie, who tortured and killed hundreds with his own hands, and sent thousands to extermination camps and a sure death.

When a person acts in a way that allows a crime to occur, but never intended that it should, that person is guilty of negligence. Such a person is Ariel Sharon, who had no intention that defenseless Palestinians be killed, but because of his negligence, they were.

CYNTHIA ABRAMS, YA'AQOV ABRAMS, Lille, France.

The Rumasa Case

Regarding "Madrid Nationalizes Big Industrial Group, Citing Irregularities" (IHT, Feb. 25):

In Madrid, they say Rumasa is a new textbook case. Indeed it is. Yesterday a banker mentioned to me that up to now world entrepreneurs made their fortunes on single industries: Rockefeller in oil, Engelhard in chemicals, Oppenheimer in mining, José María Ruiz Mateos in uranium. He built his empire on a conglomerate. It is a pity the Socialist government in Spain has failed to see the genius of the man who controlled 2 percent of their GNP and who could have created many new jobs for the workless Spaniards.

JOSE T. SELLERS, Madrid.

Strategic Dots

Regarding "U.S. Sees Gulf War Winding Down and a More Stable Iran Emerging" (IHT, Feb. 23):

Robert C. Tott reiterates the view that the United States looks at the world in terms of strategic dots that can either work to its desire or not. So long as the war front is pushed northward and so long as certain

leaders of the Iranian Communist Party are arrested, then everything "in terms of the U.S." is all right.

What is ignored is people. Before oil was a strategic factor, the United States had a large human constituency that looked to America's friendship with trust and hope. Precisely the type of calculation stressed by Mr. Tott has resulted in the present crisis. Strategic thinkers must not be assured that Iran will not change just to suit their so-called strategic priorities.

MORTEZA KHANLARI, Teheran.

A North Star

Regarding "No Alliance Without a Purpose" (IHT, Feb. 26-27):

In an era in which top-quality journalism has been largely replaced by "shotgun" reporting — a steady stream of sensationalism that inevitably loses its impact — it was a pleasure to read Brandt Ayer's article.

Not only was it superbly written, it reminded us of the desperate need for an equilibrium between fundamental values and interests, that "spiritual North Star" that guides the actions of people and nations and families of nations, in a world where the possibilities for mutual destruction are given priority.

ANNA BERTRAND, Fayetteville, France.

Reagan's Goofs

Regarding "Nix and Nat: Are Bugging Reagan Less" (IHT, Feb. 16):

I object to White House officials claiming that "the public isn't misled" by President Reagan's frequently garbled and misleading statements. As president of the United States Mr. Reagan holds a highly respectable and highly paid position.

The least one might expect is that he and other government officials don't bungle simple geography and don't issue inaccurate or fallacious accounts of what they are doing. We of the humble "public" would have been fired from our jobs if we were goofing that often.

LEONORE SUHL, Portland, Oregon.

JOHN RAY WHITNEY (1904-1982), Chairman
KATHARINE GRAHAM and ARTHUR OCHS SULZBERGER, Co-Chairmen

LEE W. HUBNER, Publisher	ROLAND PINSON	Associate Publisher
WALTER WELLS	RENE BONDI	Director of Finance
ROBERT K. MCCABE	FRANCOIS DESMAISON	Director of Circulation
SAMUEL ABT	RICHARD H. MORGAN	Director of Advertising
CARL GEWIRTZ	STEPHEN W. CONAWAY	Director of Operations

International Herald Tribune, 181 Avenue Charles de Gaulle, 92200 Neuilly-sur-Seine, France. Telephone 747-1265. Telex 612718 (Herald), Cables Herald Paris.

Directeur de la publication: Walter N. Thayer.
Gen. Mgr. Ass: Alain Lecour, 14-34 Hennessy Rd., Hong Kong. Tel. 2-285618. Telex 61170.
S.A. au capital de 1.200.000 F. RCS Nanterre B 232021/23. Comptes Rendus Paritaires No. 34231
U.S. subscription: \$754 yearly. Second-class postage paid at Long Island City, N.Y. 11101.
© 1983, International Herald Tribune. All rights reserved.

هكزان النحل

Flurry of Afghan News May Reflect New Aims Among Soviet Leaders

By Dusko Doder
Washington Post Service

MOSCOW — Afghan rebels have staged "barbarous" bombings, attacks in three sections of Kabul in which at least three persons were killed and 10 wounded, the Tass news agency reported from Afghanistan.

Tass said the bombings were set off during the morning rush hour Friday. It said one inflicted heavy damage on a bank and several shops. Others destroyed a marketplace where guerrillas were said to have snuggled in explosives in cases of fruit.

The unusually quick and detailed Tass account Friday was an example of the steadily expanding Soviet press coverage of the war, which had been largely ignored for more than three years.

On Sunday, Tass said rebels have destroyed 1,800 schools and more than 100 medical centers and hospitals. The Associated Press reported: Tass gave the figures in a report from Kabul on a new book published there entitled "Afghanistan: Many-Faceted Revolutionary Process."

Tass blamed the attacks on "counterrevolutionary forces" actively supported by the United States with weapons and money. It also said that "considerable damage was inflicted on many farming cooperatives." Tass did not say over what period the destruction took place.

Thursday night, Soviet television showed pictures of the ruins of a Kabul business area, which was apparently destroyed by a guerrilla rocket attack Tuesday. Two days earlier, it showed destroyed high-voltage power lines outside Kabul.

Diplomatic analysts in Moscow speculated that the flurry of news from the front, including the first accounts of Soviet soldiers being killed by "counterrevolutionary bandits," could foreshadow more decisive military actions against the rebels and possibly an increase in the size of the Soviet force in Afghanistan.

The analysts also said the change in Soviet coverage of the war suggested that the leadership has recognized that the conflict has hampered Soviet foreign policy. They also said the war may have led to problems within the Soviet Union itself.

There have been rumors of discontent about the war, particularly as the number of Soviet casualties has grown. It is also believed

that military leaders are dissatisfied with the generally defensive and supportive role of the Soviet forces because of the limited size of the expeditionary force.

There are an estimated 100,000 Soviet troops supporting the government of President Babrak Karmal, who came to power with Soviet support. The Soviet Union intervened in Afghanistan in December 1979.

In the past two weeks, the Soviet press has been shifting away from previous treatment of the war, which emphasized the role of the Afghan Army in fighting "counter-revolutionaries and bandits." Three weeks ago, Mr. Karmal was quoted in Pravda, the Soviet Communist Party newspaper, as saying the struggle "rests completely on the Afghanistan Army soldiers and security forces."

An account from Kabul, published Friday in Komsomolskaya Pravda, the party's youth newspaper, provided a drastically different picture. The newspaper told of a young Afghan soldier, Khalil, who was indicted a year ago and was recently wounded in a mine explosion.

"At first Khalil did not understand what he was fighting for," Komsomolskaya Pravda said. "He did not know whom he should shoot at and whom he should protect. Many hours of political instruction, lengthy talks and disputes were needed — followed by painful and difficult soul-searching — before he could become a conscious fighter for the revolution."

There is speculation among Western diplomats that the Soviet leadership has decided to be more open about the Soviet Army's involvement in Afghanistan because of a public thirst for information. But the more detailed coverage is also seen as intended to legitimize the army's role in Afghanistan far more explicitly than previous assertions that it is providing training and is engaged in "exercises."

Diplomats here say that the Soviet leader, Yuri V. Andropov, in contrast with his predecessor, Leonid I. Brezhnev, will try to hasten efforts at a political resolution of the problem by opening it up to internal discussion and creating a sense of crisis about Afghanistan.

The view of many observers is that Moscow intends to severely cripple the insurgent forces in Afghanistan before seeking a diplomatic formula to resolve the question.



Mokhtar Hashim, center, arriving for his sentencing.

Minister in Malaysia Is Sentenced to Death

Compiled by Our Staff From Dispatches

KUALA LUMPUR, Malaysia — A judge has sentenced the minister of culture, youth and sports, Mokhtar Hashim, to death for assassinating a political rival last year.

A co-defendant, Rahmat Saitman, 54, was also found guilty Saturday of the murder of Mohammed Taha Talib, the former speaker of the Negri Sembilan assembly. The co-defendant was also sentenced to death. He is a local official in Negri Sembilan, a state southeast of Kuala Lumpur.

The defense lawyer, Jagjit Singh, said he would appeal, and a stay of execution was granted pending a hearing.

Five persons were originally charged with Mr. Talib's murder, but one died in custody and two were acquitted. The acquitted are still being held, pending the outcome of an appeal by the prosecution.

In his verdict, Judge Hashim Yeop said the prosecution had proved that the murder weapon, a 32-caliber pistol, belonged to Mr. Mokhtar, 41, and was in his possession at the time of the murder on April 14.

The judge said it had been established during the 75-day trial that there was a history of friction between Mr. Talib and Mr. Mokhtar, culminating in a dispute over nom-

inations to a seat in the Negri Sembilan legislative assembly.

Mr. Mokhtar admitted to owning the murder weapon but said he was having a massage at the time of the killing, at a town 20 miles (32 kilometers) from where Mr. Taha was murdered.

But Judge Yeop dismissed that alibi and said Mr. Mokhtar's witnesses had lied. He said Mr. Mokhtar's personal police bodyguard, who said he was with Mr. Mokhtar on the night of the murder, had completely forgotten "events other than those which he appeared to have learned by heart."

Mr. Mokhtar has not left his cabinet post, and Prime Minister Mahathir bin Mohammed has not demanded his resignation. But sources within the governing United Malays National Organization told United Press International that it has been suggested that Mr. Mokhtar be replaced in any cabinet reshuffle.

Political sources also said Mr. Mohammed might consider dismissing him before his appeal is heard, Reuters reported.

Mr. Mokhtar, once considered one of the cabinet's most promising ministers, was named to his present position two years ago. Earlier, he held posts as a deputy defense minister and deputy foreign minister.

Ethnic Politics Doing a Slow Fade in Nigeria

By Leon Dash
Washington Post Service

LAGOS — In the competitive heat of the second national election campaign since civilian government was reconstituted four years ago, Nigeria appears to be moving away from the traditional Africanist tradition of ethnic-centered politics toward the more mundane concerns of personalities and performance.

The shift has been most noticeable in the hemorrhage of defections from the ethnically monolithic Yoruba people's Unity Party of Nigeria and the "wild card" entry into national politics of the Ibo people's defeated but popular former military leader of secessionist Biafra, Odumegwu Ojukwu.

Even so, ethnic, regional and clan considerations among Nigeria's 100 million people will probably determine the politicians' initial constituency base as well as the overall outcome of elections for generations to come.

And the uncompromising, rough, winner-take-all competition that marred past political contests persists. This worries the country's president, Shugu Shagari, 58, who is running for re-election this summer.

"Many politicians unfortunately tend to have forgotten what led to the demise of the first" civilian government, President Shagari said in a recently published interview, referring to the collapse of Nigeria's post-independence government after blatant vote-rigging spawned widespread violence.

"Some seem to be going back to the same old game of trying to destroy one another," he said.

Two of Nigeria's leading politicians whose names are inextricably from Nigerian politics of the 1960s, Obafemi Awolowo, 74, and Nnamdi Azikiwe, 78, are Mr. Shagari's strongest rivals for the presidency. But their old, formerly solid ethnic bases of support, among the Yoruba and Ibo, respectively, have begun to erode.

Even in 1979, the spread of votes among three political parties in northern Nigeria, a mainly Moslem area dominated by the Hausa-Fulani people, was evident.

The People's Redemption Party and the Great Nigerian People's Party made significant headway among northerners whose votes were once thought to be solidly for Mr. Shagari's National Party of Nigeria. President Shagari is a member of the northern Fulani nobility.

After 1979, both the People's Redemption Party and the Great Nigerian People's Party splintered into warring factions when the old-style political leaders, Aminu Kano, 62, and Waziri Ibrahim, 57, tried to dictate party policy to a

younger generation of officeholders.

The younger men's rebellion and the subsequent fragmentation have reduced both parties to weak regional movements.

An almost identical trend is now wending through the Yoruba-based Unity Party, and the Ibo's old-line political leadership is under attack by Mr. Ojukwu, 49, the civil war leader.

After more than 12 years in exile in neighboring Ivory Coast, Mr. Ojukwu received a presidential pardon for rebellion charges and returned last June to a tumultuous welcome from the Ibo.

Nigeria's second effort at democratic government is closely monitored on this continent of 400 million people — one of every four of whom is a Nigerian.

The country's oil wealth, despite the economic nose dive caused by a worldwide petroleum glut, has made it one of black Africa's leading economic powers.

Shortly after independence in

1960, its Westminster parliamentary government of colonial days proved to be unworkable in the volatile mix of 250 ethnic groups, although 60 percent of the population is made up of the three major groups — the Hausa-Fulani, Yoruba and Ibo.

Political thuggery led to disorder. After 1966, Nigeria went through three bloody coups, an attempted coup and two massacres of thousands of Iboes followed by the two-and-a-half-year civil war, in which a million people died. The army handed back power to the civilians in 1979, nine years after the civil war.

Today, Nigeria is governed under a new federal constitution, modeled, in part, after that of the United States. Federal and five state elections are to be held this summer, but a voter registration exercise last August has been widely criticized as sloppy and fraudulent, with many demands that the elections be postponed.

However, Nigeria's transporta-

tion minister and one of Mr. Shagari's key advisers, Umaru Dikko, said in an interview, "It is our determination to see that elections are held, no matter who does not want it." The government "will do everything within its power to help ensure smooth, free and fair elections," he added.

Mr. Shagari, who received the widest spread of votes across ethnic lines of five presidential candidates in 1979, would win by even larger margins if the vote were today, several Western diplomatic observers said.

A much-publicized effort to form an anti-National Party coalition between Mr. Awolowo's Unity Party in northwestern Nigeria and Mr. Azikiwe's Nigerian People's Party in the southeast foundered on the men's deep mutual mistrust.

Mr. Awolowo ran second to Mr. Shagari in 1979. But since January, his Unity Party has been rent by defections to Mr. Shagari's more cosmopolitan National Party.

South Africa to Open a Campaign To Sell Houses to Urban Blacks

By Joseph Lelyveld
New York Times Service

JOHANNESBURG — Urban blacks, once barred from owning houses on the ground that they were "temporary sojourners" in white South Africa, are about to be made the targets of a government-sponsored sales campaign to persuade them to purchase the state-built dwellings in which they live.

To promote the sales, discounts of up to 40 percent will be available on house prices that are already pegged significantly below the presumed market values for the small brick structures.

Most of the houses were built on a mass-production basis in the 1950s and 1960s when the white authorities created a series of segregated townships as part of the government's apartheid program.

An announcement last week by the cabinet in Cape Town said 500,000 government-owned dwellings in areas set aside for various racial groups, including poor whites, would go on sale July 1. About 400,000 of these are in the black townships, officials said.

The sales campaign is the most dramatic step the authorities have taken to relinquish the state's monopoly control of black housing and to foster a private market in real estate for blacks.

It represents no easing, however, of the minority white government's determination to maintain absolute

residential segregation of different racial groups. Blacks will still be restricted to their racially demarcated townships.

Five years ago, the government first announced that it was prepared to allow those blacks regarded as "qualified" to live in urban areas under the country's racial laws to purchase their homes on the basis of 99-year leases. Since then, official commissions, banks and business interests have regularly condemned the bureaucracy for obstructing such purchases.

There have been persistent hints in recent years that the government was prepared to consider the possibility of granting normal freehold property rights to blacks.

This is seen as a logical consequence of the government's readiness now to acknowledge that a minority of the black population will continue to live permanently in urban areas. However, the cabinet announcement omitted any mention of freehold.

Black leaders stressed that omission in statements that welcomed the housing move.

"The black people need to feel they have a stake in this country," said Bishop Desmond M. Tutu, a black Anglican who is general secretary of the South African Council of Churches.

Under the government's evolving policy on housing and black residence rights, those who are

born outside the urban areas can never qualify for either residence rights or the right to purchase property in those areas.

An official of the West Rand Administration Board, which supervises the black townships in the Johannesburg area, said about 60,000 of the 110,000 houses in the vast township of Soweto would be made available for purchase by their occupants under the new program.

The proceeds of the sales are to be divided between the government agency that builds housing and the community councils that are being set up in the townships.

226 Are Arrested In Sicily Sweep

Reuters

PALERMO, Sicily — The Carabinieri says it has arrested 226 men across Sicily, seizing guns, explosives and drugs in a huge operation against the Mafia.

More than 4,000 paramilitary police backed by helicopters and speedboats took part in the sweep Saturday. The raids coincided with a crackdown on the southern Italian mainland against gangs in Naples and Calabria.

Police in the Calabrian city of Catanzaro said that they had arrested 110 persons in 24 hours.

AFGHANISTAN

Appeal on behalf of doctor Philippe AUGOYARD, Imprisoned in Kabul

On the 16th January 1983, Doctor Philippe AUGOYARD was captured by soviet troops in Afghanistan. The young French doctor had been working for several months in the village of Sedjrawand, giving free medical attention to the civilian population. Captured at the end of three days of pursuit, trudging in the snow, he witnessed the summary execution of those Afghans who were accompanying him. Led back to Kabul, he is imprisoned there today in a secret place. Neither his family, his friends nor the French authorities have been able, despite repeated demands, either to visit him or even to be informed of the place where he is held prisoner. Far about two years now, by their continuous presence, handfuls of French doctors and nurses of the associations **Médecins Sans Frontières**, **Médecins du Monde** and **Aide Médicale Internationale** try to alleviate the sufferings of a population which no longer enjoys medical care. For the first time, one of them has been arrested. Their mission is solely one of assistance to people in danger.

The right to medical care knows no frontiers. It is a right of man in distress and sickness. We do not accept that this right be denied him. We are calling for the immediate release of doctor Philippe AUGOYARD

— 160 doctors and nurses who have worked in Afghanistan —

— The medical staff of the hospital and 41 professors in medicine from ROUEN, the town where Doctor Augoyard is specializing in pediatrics —

— The delegates to the E.E.C. of 24 non-governmental humanitarian organizations as under —

• A.I.C.F.

• Action d'Urgence Internationale

• Caritas from Germany, Italy, Belgium, Netherlands

• Catholic Relief Service

• Christian Aid

• ECHO

• Secrétaireat Européen des Y.M.C.A.

• ICCO

• Médecins du Monde

• Médecins sans Frontières

• France-Belgique

• MEMISA

• NOVIS

• OXFAM

• OXFAM Belgique

• Salvation Army

• Save the Children Fund

• TROCAR

• World Council of Churches

• CEBIMO

— The following organisations and their representatives —

• The French League for the Defense of Human and Citizen Rights

• The French Branch of the International Board of Catholic Jurists

• G. AURENCHIE, Président de l'ATAC

• P. TOUTAT, Secrétaire de Justice à Paris

• L. MATARASSO, Président of the International League for the Peoples' Right and Freedom

• André BERGERON, Secrétaire général F.O.

• BERCOS, Droits Socialistes de l'Homme

• C.F.D.T.

• C.F.T.C.

• F.E.N.

• B.L.A.

• M.S.R.A.

• Syndicat de la Magistrature

• P. VILLEY, Président du Conseil National de l'Ordre des Médecins

Raymond ARON

Alexandre ASTRUC

Archiprêtre J. BAIKOV

Gérard BAPT

Didier BARIANI

Jean-Louis BARRAULT

Raymond BARRE

Alain BARRIÈRE

Pierre BAUDIS

Guy BEART

Marie-Paule BELLE

Yannick BELON

Rubena BENZI

Gérard BLAIN

Général de la BOLLARDIÈRE

Huguette BOUCHARDEAU

Pierre BOULEZ

Claude BOURDET

Claude BROVELLE

Jacques BROVELLE

Mgr BRUNON

Christine CARON

Jean-Claude CARRIÈRE

Jacques CHABAN-DELMAS

François CHATELET

Roger FRISON-ROCHE

Alain GEISMAR

Pr M. GENTIANI

Alain GRESSE

André GUICHARD

Henri GUICHARD

Régis GUATTARI

Olivier GUICHARD

Etienne HAUDU

Gisèle HALIMI

Renée JACQUART

B. Henry LEVY

Robert HERBIE

Michel HIDAIGO

Jacques HUNTZINGER

Michel DRACH

Roland DUMAS

Pana DUMONT

Jean EULENBERG

Robert JAUIN

LM. JEANNENEY

Thierry JEANTET

Jacques JULIARD

Alain JUPPE

Pr M.F. KAHN

Gd Rabbin J. LAPLAN

Pr A. KASTLER

Joseph KUBIN

Claude LABRE

Pierre LAUMIERE

Pr LARONG

Dimin LARONOFF

Jean LECANUET

Michel LEFIS

François LÉOTARD

Louis LE PENEC

Emmanuel LE ROY-LADURIE

Emmanuel LEVINAS

B. Henry LEVY

Arthur LONDON

Use LONDON

Eugène IONESCO

Joris IVENS

Vladimir JANKLEVITCH

Robert JAUIN

LM. JEANNENEY

Thierry JEANTET

Jacques JULIARD

Alain JUPPE

Pr M.F. KAHN

Gd Rabbin J. LAPLAN

Pr A. KASTLER

Joseph KUBIN

Claude LABRE

Pierre LAUMIERE

Pr LARONG

Dimin LARONOFF

Jean LECANUET

Michel LEFIS

François LÉOTARD

Louis LE PENEC

Emmanuel LE ROY-LADURIE

Emmanuel LEVINAS

B. Henry LEVY

EUROBONDS

By CARL GEWIRTZ

Bankers Are the Main Movers In Quiet Week for Investors

PARIS — A glance at the new-issue calendar last week would undoubtedly give the impression that it was a busy week for the Euro-bond market. It was, for underwriters. But despite all the activity, investors stayed away.

Overall, there was a lack of conviction. Investors were in no rush to buy bonds, believing that the market would not run away and that there would be plenty of time and opportunity to pick and choose. They were in no rush to move out of the dollar, or into the dollar.

By contrast, analysts said there was lots of activity and interest in equities. Available resources are going into stocks rather than bonds, and the stock markets in New York and Frankfurt reflected this.

But bankers, convinced that interest rates must decline, were happy to bring new issues to the market and keep them in inventory. The cost of holding the new issues nets the bankers a profit and when rates do decline there could even be some substantial capital gains to be earned.

Almost all the new issues were for banks, and many were interest-rate swaps. With the banks issuing fixed-rate bonds and getting in exchange floating-rate money, at rates well below the London inter-bank rate.

The delicate timing of arranging a swap probably explains why the fixed-rate paper was sold even though the demand was not there. Not all of the deals were swaps, however.

Bank of America, for example, issued \$300 million through its branch in Jersey. The bank itself is rated triple-A, while the parent holding company is only a double-A. These deposit notes are being sold in units of \$1,000 and each bears a warrant, good for one year, to buy a like number of deposit notes.

The notes have a life of five years and bear a coupon of 8 percent. The notes are being offered at a discount of 93%, or \$93.25. Calculating the capital gain to be earned when the notes are redeemed at full value of \$1,000 gives a yield to maturity of 9.67 percent.

The warrant, which can be used to buy an identical bond at a price of 94%, is estimated to have a value of about \$10, which raises the value of the overall package to investors to about 9.87 percent. And adding in the 1% premium commission that underwriters earn, the value of the paper to managers is equal to about 10.94 percent.

Only \$200 million of the total package is being offered immediately. The remaining \$100 million will be tapped into the market at a later date.

American Express offered \$100 million of seven-year bonds at par bearing a coupon of 10.4 percent. Part of this issue is being used as a swap, bankers said.

The terms on the Amex issue were considered overly aggressive and the paper was quoted at a two-point discount. Critics noted that the seven-year issue for Credit Suisse, priced at par bearing a coupon of 10.4 percent, was quoted at par after the amount was increased to \$150 million from the \$100 million initially indicated.

Many consider Credit Suisse to be a better name. On the other hand, managers of the Amex issue maintain that there is a scarcity value for U.S. names. Amex is estimated to have saved half a point in interest charges by issuing its paper in Paris rather than in New York.

Among the nonbank issuers, two stand out. The European Community's \$75 million of 12-year bonds was widely criticized for being too ungenerous — it was offered at 99.4 percent bearing a coupon of 10.4 percent to yield 10.86 percent and was quoted at 97.4 for a yield of 11.18 percent.

Credit Lyonnais was the mandate to manage the issue in competitive bidding and critics warned that the EC risks earning the same kind of miserly reputation as the EIB has with investors if it continues to pay so little attention to how its paper trades in the secondary market.

At the other end of the spectrum was the five-year issue for BC Hydro, guaranteed by the province of British Columbia. The amount was increased to \$200 million from the \$150 million initially indicated. The notes were offered at a discount of 93.94 bearing a coupon of 10.4 percent to yield 10.77 percent. By Friday, the paper was quoted at a slim half point discount at 99.9.

In the Deutsche mark sector, only two new issues were launched last week in the run-up to Sunday's general election. However, with most observers convinced that the Christian Democrats will win, the mark strengthened and bond prices rose as foreign investors began moving back into the market. The improvement in the bond market was helped by further easing of domestic money-market rates and analysts were forecasting that once the election was out of the way the Bundesbank would be free to push rates lower.

Activity will step up this week with four issues scheduled: the Korean Development Bank, Nippon Credit Bank, Michelin and Belgium.

International Herald Tribune

Braniff to Try Again On Deal With PSA

The Associated Press

NEW ORLEANS — Struggling to keep a multimillion-dollar deal alive, Braniff Airways has asked that the full 5th U.S. Circuit Court of Appeals decide whether its agreement to lease some of its airplanes to another carrier is legal.

Braniff requested Friday that it get a prompt hearing on a ruling by three-judge panel earlier last week that said that Braniff's proposed transactions with Pacific Southwest Airlines could not be done under bankruptcy law.

This time, Braniff wants a hearing by the full 13 judge appeals court.

Braniff said Pacific Southwest's plan, completed after eight months of negotiations, would put hundreds of millions of dollars worth of idle assets back to work, re-employ 2,000 airline workers, make money for creditors and establish competition at the big Dallas-Forth Worth Airport.

Under the package, Pacific Southwest would lease 30 of Braniff's 62 idle Boeing 727 jets, assume

the airport facility leases and operate in Braniff's old time slots at airports in 16 major cities.

Braniff contends that the three-judge panel made two serious errors which, if allowed to stand, would set a bad precedent in bankruptcy situations.

Howard Putnam, Braniff chairman, complained last Wednesday that the three judges "did not understand the complexity" of the deal and Friday's plea for rehearing sounded the same theme.

On the crucial issue of whether airport "time slots" are a property that may be transferred from one owner to another, Braniff's latest request said there is legal precedent for it.

All but 50 of Braniff's 450 time slots, or landing slots, were reassigned to competing airlines by the Federal Aviation Administration after the company ceased operating and filed for protection from creditors under bankruptcy law last May 11 under the weight of a \$1-billion debt.

U.S. Sees Big Sugar Crop Keeping World Price Low

United Press International

WASHINGTON — Prospects of another large crop are expected to hold the world price of raw sugar down to 6 to 8 cents a pound (0.45 kilogram) this year, the U.S. Agriculture Department has announced.

Sugar prices averaged 8 cents a pound last year and 17 cents a pound in 1981, the department said Friday.

U.S. sugar prices are considerably higher than the world average, largely because of quotas on imported sugar imposed last spring by President Ronald Reagan.

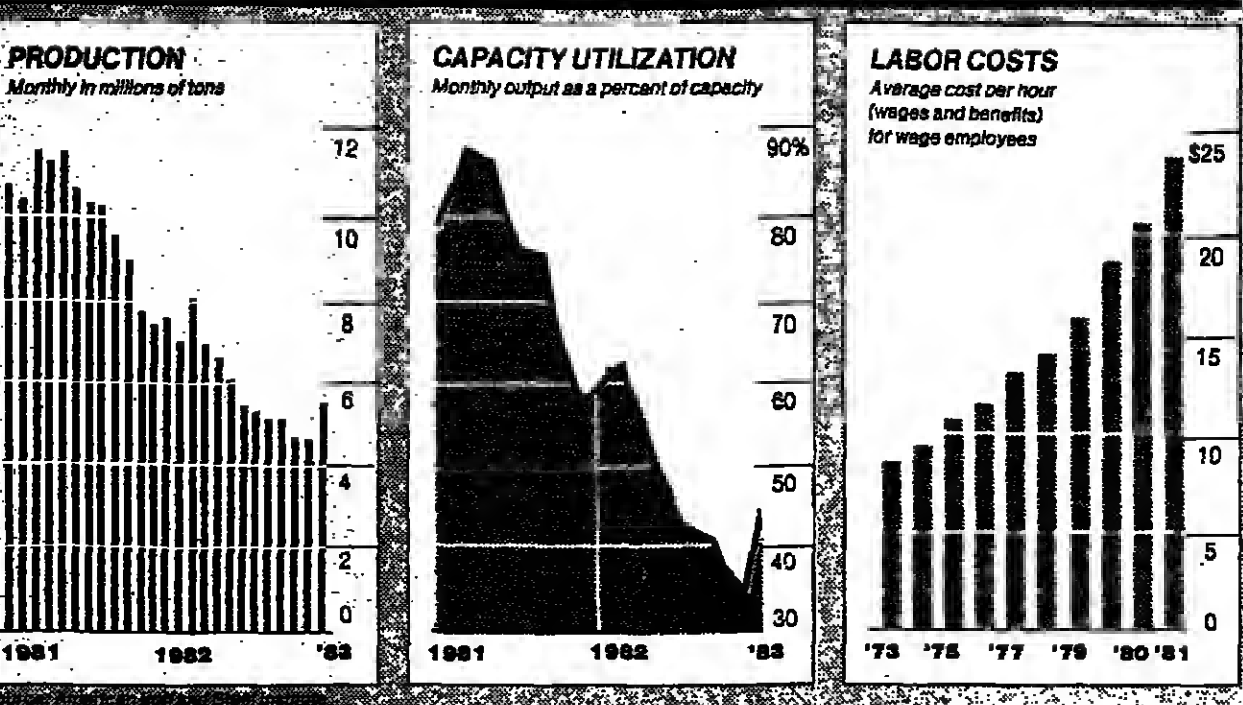
Sugar sold in the United States for 21.2 cents a pound in January and 21.8 cents in February, the report said, noting that it was the first time that prices had risen above the market-stabilization price of 20.73 cents a pound.

The department attributed the increase to heavy demand in the last three months of 1982 and to delays by other countries in shipping their sugar exports.

Retail refined sugar prices averaged 36 cents a pound in January, up slightly from the previous month. Retail prices averaged 34.4 cents a pound in 1982, and the department predicted a 3-cent-a-pound increase this year.

The department's Foreign Agricultural Service said that world sugar production could exceed 98.5 million metric tons (108.4 million tons) in the current marketing year, down slightly from last season's record of 100 million tons.

The U.S. Steel Industry at a Turning Point



U.S. Steel Firms Remain Wary

By Agis Salpukas

New York Times Service

NEW YORK — Steelmakers may be emerging from one of their darkest periods since the Depression, but they are having trouble believing that the trials of their battered industry are at an end.

The elements of a recovery are beginning to fall into place. Orders for flat-rolled steel have rebounded sharply, discounting is moderating and a recent price increase seems to be sticking. Also, imports have dropped significantly — down 44 percent in January from the level of a year before. And European steelmakers have agreed to cut their shipments to the United States.

In the latest good news, local leaders of the United Steelworkers of America have overwhelmingly approved these major concessions: a cut in wages of \$1.25 an hour and a freeze on cost-of-living payments until July 1984, plus reduced vacation time.

The contract, which will run from next Aug. 1 until July 31, 1984, is likely to increase the cost of employment by only 11 percent instead of the 41 percent over the course of the last contract.

But the industry is still running scared. Pete Love, chairman of National Steel, said in an interview last week that his company soon would restart one of its five bankrupt blast furnaces because of the pickup in orders. But he added, "We're being very cautious about it."

Mr. Love said, "Gee, you light one of these up and begin to call people back — it's important that we fully realize that we are in a sustained type of recovery."

One reason for all the caution is the sharp and unexpected drop in steel shipments last year. After both analysts and industry execu-

tives had predicted 80 million to 90 million tons, the steel mills wound up shipping only 60 million tons.

"The poor results of '82 tend to make you overly cautious," said Peter Anker, steel analyst for First Boston Corp.

Indeed, some companies are continuing to operate at only 50 percent of capacity while orders pour in at a rate that would justify using 90 percent of capacity.

"The order-entry rate in the past month has been at a 90-million-ton annual shipment rate," said Peter Marcus, steel analyst at Paine, Weber, Mitchell Hutchins. "Yet the industry is still producing at a 57-million-ton shipment rate."

The surge in ordering has come from such basic industries as autos and appliances as they benefit from the beginning of a general economic recovery. But Mr. Marcus said that the steelmakers "all fear it's temporary."

If the recovery continues, however, analysts and some steel executives agree that the steel companies, whose losses from steelmaking operations totaled \$3.3 billion last year, could benefit greatly from the new labor agreement and the cost-cutting and phasing out of old plants accomplished during the downturn.

Mr. Love said the new labor contract represented "a milestone type of settlement" that could allow his company to show a profit by the second quarter if the recovery runs strong. National Steel had an operating loss of \$53 million from steel operations in the fourth quarter and he said it also would have a loss in the first quarter.

He also said that if the orders warranted, National and other steelmakers would be able to increase output with fewer workers because of productivity achievements.

"We've got the plants leaned out so they will

support more volume without incurring more fixed costs," he said.

Mr. Anker said that in 1981 the steel industry had 361,000 workers — 258,000 steelworkers and 103,000 salaried employees. By the end of 1982, layoffs and permanent cuts had reduced the total to 235,000, of which 156,000 were steelworkers and 79,000 were salaried employees.

"The companies will not put as many people back to work," he said, even if shipments go back to the levels of 1981. The industry shipped 87 million tons of steel that year.

Joseph Wyman, steel analyst for Shearson American Express, said in an interview that the contract concessions might enable many companies to return to profitability by this year's second quarter rather than the third quarter, as he had projected earlier. He estimated that the labor concessions could bring a 3 percent reduction in production costs.

Analysts and steel executives remain conservative in their estimates of shipments for 1983, with most predicting a range of 71 million tons to 75 million tons.

Meanwhile, the demand for steel products from the capital-goods sector remains sluggish. At large integrated producers, such as United States Steel, the capital-goods sector accounts for three of every four tons of steel shipped.

But Mr. Marcus projected that, even with only a modest recovery, operating losses for the steel industry would be cut significantly this year, to about \$900 million.

Despite the industry's hesitancy, there is general agreement that it could recover much faster than was expected a few months ago, when the threat of a steel strike spurred fears that major domestic customers might turn to foreign producers.

"I'm more optimistic about the opportunities now," Mr. Love said.

Johnson & Johnson Takes Pain Pill Off Mart After 5 Deaths Are Attributed to Reactions

Compiled by Our Staff From Dispatches

WASHINGTON — Johnson & Johnson is temporarily withdrawing its popular prescription painkiller Zanax from the market after reports of five deaths from allergic reactions.

Company spokesmen and the Food and Drug Administration said Friday that the action was voluntary, and was taken until stronger warning labels can be prepared.

The effect of the Zanax publicity on Johnson & Johnson is uncertain. But one government source

suggested that the decision to withdraw the drug was taken because of "sensitivity over the lingering Tylenol problem."

"The Tylenol problem involved an outside agent," said David Saks, an analyst at the A.G. Becker brokerage house, in arguing that the Zanax problem was potentially more damaging for Johnson & Johnson than the Tylenol scare.

"It was not Johnson & Johnson's fault," Mr. Saks said of the Tylenol incident. "But, there is something apparently wrong here."

As it did with Tylenol, Johnson & Johnson asked that consumers return all Zanax capsules to pharmacies. A spokesman for the company, which is based in New Brunswick, New Jersey, said pharmacists would be reimbursed for repurchasing the drug.

Johnson & Johnson has been meeting with FDA officials to toughen the labeling on Zanax.

Since its introduction in October 1980, Zanax has been prescribed to more than 15 million patients, the company said. A survey has found that 1,100 users had suffered allergic reactions.

Zanax was popular in part because it contains no codeine, which can be addictive.

Before Friday's announcement, Johnson & Johnson stock dropped on the New York Stock Exchange, and trading was halted temporarily. The stock closed at \$48, down \$2.25 for the day. The activity apparently followed a broadcast Thursday by a Syracuse, New York, television station about the five deaths.

Zanax is produced by a Johnson & Johnson subsidiary, McNeil Pharmaceutical, in Spring House, Pennsylvania.

Tylenol is produced by another subsidiary, McNeil Consumer Products, in Fort Washington, Pa.

Poll Suggests Industry In U.S. Rebounding

New York Times Service

WASHINGTON — U.S. industrial companies had a sharp turnaround in February, with new orders, production and other economic indicators on a rapid upward swing, according to the National Association of Purchasing Management.

In a monthly survey, based on interviews with the purchasing managers at 250 companies, the association said it found the level of production at those companies increasing more rapidly than at any other time in the 30 years that the survey has been taken.

New orders for these company's products also rose sharply, the association said. At the same time, it reported that the speed of vendors' deliveries — or the amount of time it takes industry to take delivery on its orders for supplies — had slowed for the first time since May 1981.

The latter indicator is regarded as an early reflection of expanding economic activity because slow deliveries usually mean large backlogs of orders.

A composite index compiled by the group, which takes into consideration new orders, production, employment, vendor deliveries and inventories, stood at 56.6 percent, up from 45.7 percent in January. It said a reading over 50 percent on the index means that the economy is expanding, and that February's reading was "much higher than average" when compared to comparable periods when industry has been emerging from recessions.

The group also said the purchasing managers whom it surveyed were flush with optimism. It reported that 58 percent had said they expected the first quarter to be better for their companies than the fourth quarter of 1982. When

ASK FOR IT EVERY DAY.
EVERYWHERE YOU GO.
International Herald Tribune
We've got news for you.

Kuwait Reports Gulf Is Giving Key Concession

By Bob Hagerty

International Herald Tribune

LONDON — Kuwait's oil minister reported Sunday a concession by Saudi Arabia and its Gulf allies that appears to improve chances for OPEC members to reach an accord.

News of the concession came as other Organization of Petroleum Exporting Countries sources said an Iranian delegation arrived in London during the weekend to take part in crucial talks scheduled to begin Monday.

The Kuwaiti minister, Sheikh Ali Khalifa al-Sabah, said in a telephone interview that the Gulf producers would accept a premium for North African light crudes of as little as \$1.50 a barrel over the OPEC benchmark. Previously, the Saudi-led faction had insisted that the premium, which is supposed to represent differences in quality and transport costs, should be at least \$2.50.

A premium of \$1.50 would imply a price of \$28.50 for OPEC's benchmark crude, Saudi light, if North African crudes are priced at \$30.

That is the level set by Nigeria two weeks ago when it announced a \$5.50 price cut without waiting for approval from other OPEC members. So far, Nigeria has resisted pressure from other OPEC countries to accept a smaller price cut, OPEC sources said.

One OPEC delegate said the Nigerians, who need to sell more oil to pay off heavy debts, have been surprisingly adamant about sticking with the price of \$30 for their heavy light crude.

The Kuwaiti minister refused to discuss whether the Nigerians would move up from \$30. Asked whether he would accept a price below \$30 for Saudi light, he said: "I'd be willing to support anything that would produce an agreement here."

If the Gulf producers can reach

a compromise with Nigeria, they still will have to accommodate Iran.

The reported arrival of the delegation is a sign that the Iranians at least are willing to talk. Previously, the Iranians have rejected as a "plot" against them the recent OPEC efforts to ease down prices in the face of extreme market pressure.

Some OPEC members, however, apparently believe that Iran might be coaxed into compromise, particularly if given a larger production quota.

Small groups of OPEC ministers met during the weekend to prepare for Monday's session, to which all 13 members have been invited. Representatives of eight OPEC nations met here Thursday and Friday in an attempt to fashion a compromise on pricing, production limits and quotas.

The Gulf producers' concession reflects the urgency that OPEC attaches to reaching an accord this week. Failure to do so at OPEC meetings in December and January helped to further weaken the organization's influence on the market and added pressure for price cutting.

Saturday evening, a delegate from one OPEC nation wearily acknowledged the pressure to produce an accord. "We all know what happens if we can't agree Monday or Tuesday — goodbye and good luck," he said.

■ **Oteiba Sees Output as Key**

Manal Al-Oteiba, the United Arab Emirates oil minister, said Sunday that prices were no longer the most important issue for OPEC. Reuters reported from London.

"What we have to decide on is production programming," he said, referring to the difficult problem of sharing exports in a shrinking world oil market.

He described differences over quotas as the root of the trouble.

New U.S. Energy Tax Seen

Reuters

WASHINGTON — The decline in world oil prices has increased the likelihood that Congress and the White House will seek an oil import fee or some other new energy tax on consumers, some leading congressmen have said.

Although energy taxes have been widely discussed for more than a year as a way to increase federal revenues and reduce budget deficits, few American policymakers have been willing to risk unpopular measures that would raise U.S. energy prices, which are among the lowest in the world.

In 1980, Congress killed a proposal by President Jimmy Carter for an oil-import fee that would have imposed a 10-cent-a-gallon duty (2.6 cents per liter) at the pump to discourage energy consumption.

But key Republicans on the Senate tax and budget committees now believe that the decline in oil prices has provided a chance to impose the taxes with a minimum of political damage.

Democrats, who control the House of Representatives, have not yet committed themselves on energy tax issues.

CURRENCY RATES

Interbank exchange rates for March 4, excluding bank service charges.

	£	DM	FF	¥	₹	₪	₦	₦	₦
Amsterdam	2.6725	4.851	110.28	383.2	0.1903	17.8253	5.691	124.07	31.07
Brussels (at)	47.37	72.175	17.7085	6.495	3.2342	17.8253	5.691	124.07	31.07
Frankfurt	2.485	3.444	—	32.22	1.719	90.41	117.70	27.95	—
London (at)	1.5107	—	2.4535	10.338	2.1175	4.814	71.435	3.078	13.078
Paris	1.49080	2.12539	39.539	20.477	—	55.10	29.40	68.67	14.52
New York	—	1.0553	0.6177	0.1473	0.071	0.3762	0.0211	0.0736	0.1165
Zurich	6.8095	10.309	78.535	—	1.085	256.55	14.291	334.75	71.20
1 ECU	6.9459	0.6204	2.2815	6.495	1.2047	1.4188	78.801	4.2061	22.461
1 SDR	1.28914	0.71957	N.A.	7.4444	1.52088	2.914	N.A.	2.2335	9.4456

	₹	₪	₦	₦	₦	₦	₦	₦	₦
Swiss	1.4837	0.0241	1.0000	0.0001	0.0001	0.0001	0.0001	0.0001	0.0001
Australian \$	0.6971	0.0043	0.0043	0.0043	0.0043	0.0043	0.0043	0.0043	0.0043
Belgian franc	0.02	0.0014	0.0014	0.0014	0.0014	0.0014	0.0014	0.0014	0.0014
Canadian \$	0.1143	0.0008	0.0008	0.0008	0.0008	0.0008	0.0008	0.0008	0.0008
Danish krone	0.1851	0.0015	0.0015	0.0015	0.0015	0.0015	0.0015	0.0015	0.0015
French franc	0.0157	0.0001	0.0001	0.0001	0.0001	0.0001	0.0001	0.0001	0.0001
West German mark	1.37	0.007	0.007	0.007	0.007	0.007	0.007	0.007	0.007

(Stereos: 1.0000 Irish £)

(a) Commercial bank; (b) Amounts needed to buy one pound (1 = 100 pence) in units of 100 (x) Units of 1,000

These securities having been placed privately, this announcement appears as a matter of record only.



N.V. Nederlandse Gasunie

Dfls. 100,000,000

7 1/2 per cent. Bearer Notes 1983 due 1988

Annual coupons March 15

Algemene Bank Nederland N.V.

Amsterdam-Rotterdam Bank N.V.

Bank Mees & Hope NV

Deutsche Bank Aktiengesellschaft

Pierson, Heldring & Pierson N.V.

Swiss Bank Corporation International Limited

February, 1983

هكذا من الأهل

NEW EUROBOND ISSUES

Borrower	Amount (millions)	Maturity	Coupon %	Price	Yield At Offer	Terms
Asian Development Bank	200	1991	7 3/4	99	7.91	Noncallable. Floating rate.
BNP	100	1990	7 3/4	100	7.94	Noncallable.
New Zealand	115,000	1989	7 3/4	open	—	Noncallable. Terms to be set March 9.
...

Loans by 3 '2nd-Tier' Borrowers Seen as Test

By Carl Gewirtz
International Herald Tribune

PARIS — Greece, Portugal and Ireland will be tapping the Euro-market this week for medium-term syndicated loans.

"It will be a period of testing," said the loan officer of one leading bank, referring to the uncertainty over what kind of response these "second-tier" borrowers will receive from the market.

No one is sure how much of a market remains after the trauma of the massive restructurings in Latin America. Loans marketed so far this year have been well-received, but the borrowers — Sweden and Denmark — are considered high-quality risk. Their ready access to new money may not indicate a general availability of funds.

The Greeks have taken a cautious approach, visiting potential lenders, asking for bids and then trying to shape the offers into agreeable terms. The Greeks remain convinced that they can raise \$500 million paying 5 percent over the London interbank offered rate; they plan to award the mandate to proceed with such a loan this week.

A big test will be Greece's insistence on pricing exclusively over Libor. Bankers argue that borrowers in today's market have to be willing to price part of the loan over the prime rate to attract regional U.S. banks.

Portugal also is asking potential lenders to submit bids. Its timing

was a bit of a surprise; most bankers had assumed that the government would not tap the market until after the general election in late April.

Portugal is seeking \$400 million for seven years, but will take more than that if more is available. In contrast to Greece, Portugal is willing to accept a floating rate.

Banks are to meet this week in London for talks on Yugoslavia. It now appears that the new-money portion of the bank loan will be closer to \$600 million than the \$850 million initially indicated.

Bankers say closer inspection of the books showed that is all the Yugoslavs need. About \$1 billion of outstanding debt will be rolled over and, in effect, rescheduled.

Iraq National Oil Co. is seeking \$120 million to finance an increase in the capacity of its crude-oil pipeline, which crosses Turkey and ends at the Mediterranean port of Ceyhan. Interest will be set at 1 point over Libor for the first two years and 3/4 point over Libor for the final three years.

Despite the appearance of a slightly lower margin than the \$300-million, five-year loan for the central bank, which is paying 1 point over Libor, the INOC loan, with higher front-end fees, will actually yield lenders slightly more.

In addition, lenders to INOC are offered the guarantee of anonymity, if they desire — a rare selling point in a market where lenders usually seek maximum publicity. But that obviously is what lenders want in this case.

In the Far East, Malaysia is looking for \$500 million, an amount that may be increased if a tax-spared portion can be added to interest banks benefiting from the British-Malaysian tax treaty.

Given the continuing dispute over how the Italians handled Ambrosiano's collapse, bankers say

that placing Italian paper may be difficult.

Enel will be seeking an additional \$150 million soon through a short-term acceptance facility.

Hungary is well along in its effort to raise \$200 million, managers say, with \$150 million underwritten so far.

Interest on the 90-day rate for CDs if that is cheaper. Last year, Malaysia paid 3/4 point over the prime rate for eight years, with a cap of 410 basis points over the CD rate.

Interest on the 60 percent of the loan tied to Libor will be set at half a point over Libor, compared to the 3/4-point margin it paid last year. The Libor loan will run for 10 years.

In Australia, Elders IXL Ltd., a canning company, is seeking \$100 million for five years, offering to pay 3/4 point over Libor. Conditions will be sweetened with a commitment fee of 1/4 percent and participation fees of 1/16 percent.

Texas Joins Lawsuit For Mobil Royalties

AUSTIN, Texas — The state of Texas has joined a suit against Mobil Oil in which Clinton Mangas, a millionaire rancher, is seeking as much as \$1.5 billion in back royalties from land leases in southern Texas.

Kredietlux Indices March 4

Index	Value
Industrie, US & Europe	101.17
Industrie, US & Europe	101.17
Industrie, US & Europe	101.17
Industrie, US & Europe	101.17
Industrie, US & Europe	101.17

U.S. Credit Markets Drift, Waiting on OPEC

By Yla Eason
New York Times Service

NEW YORK — Prices of U.S. government securities drifted lower in quiet trading Friday as investors withdrew from the credit markets.

The three-month Treasury bill yield rose to an offered price of 8.5 percent after trading Thursday at 8.4 percent. Longer-dated issues were slightly less weak, with the 9 1/2-percent note due in 1988 closing at 100 8/32 for a yield of 9.80 percent, up from Thursday's 9.75 percent. Similarly, the 10 1/2-percent bond of 2012 rose to 99 8/32 for a yield of 10.46 percent, up marginally from Thursday's close of 10.42 percent.

Adding to the pressure on prices, the basic M-1 money supply rose \$3.6 billion, to \$492.5 billion, for the week ended Feb. 23. Analysts were expecting a rise of only \$1 billion.

"Yields rose across the spectrum today, and the final disappointment was the money supply," said William Sullivan, senior vice president at the Bank of New York.

However, since the Federal Reserve has said it will place less emphasis on M-1 and more on the broader monetary measures of M-2 and M-3, which include M-1 plus other large deposits, it was not the most important factor in lower prices Friday, he said.

Maurice Harris, economist and vice president at Paine Webber, agreed that the M-1 rise was "mildly negative," but he said one constructive factor was an \$837-million drop in business loans reported Friday by the Federal Reserve.

Also discouraging buying was the higher cost of overnight interbank loans. After trading most of Friday at 8.375 percent, the Federal funds rate rose to 8.50 percent before the close.

The Treasury bill yield rose to an offered price of 8.5 percent after trading Thursday at 8.4 percent. Longer-dated issues were slightly less weak, with the 9 1/2-percent note due in 1988 closing at 100 8/32 for a yield of 9.80 percent, up from Thursday's 9.75 percent. Similarly, the 10 1/2-percent bond of 2012 rose to 99 8/32 for a yield of 10.46 percent, up marginally from Thursday's close of 10.42 percent.

Adding to the pressure on prices, the basic M-1 money supply rose \$3.6 billion, to \$492.5 billion, for the week ended Feb. 23. Analysts were expecting a rise of only \$1 billion.

"Yields rose across the spectrum today, and the final disappointment was the money supply," said William Sullivan, senior vice president at the Bank of New York.

However, since the Federal Reserve has said it will place less emphasis on M-1 and more on the broader monetary measures of M-2 and M-3, which include M-1 plus other large deposits, it was not the most important factor in lower prices Friday, he said.

Maurice Harris, economist and vice president at Paine Webber, agreed that the M-1 rise was "mildly negative," but he said one constructive factor was an \$837-million drop in business loans reported Friday by the Federal Reserve.

Also discouraging buying was the higher cost of overnight interbank loans. After trading most of Friday at 8.375 percent, the Federal funds rate rose to 8.50 percent before the close.

The Treasury bill yield rose to an offered price of 8.5 percent after trading Thursday at 8.4 percent. Longer-dated issues were slightly less weak, with the 9 1/2-percent note due in 1988 closing at 100 8/32 for a yield of 9.80 percent, up from Thursday's 9.75 percent. Similarly, the 10 1/2-percent bond of 2012 rose to 99 8/32 for a yield of 10.46 percent, up marginally from Thursday's close of 10.42 percent.

Adding to the pressure on prices, the basic M-1 money supply rose \$3.6 billion, to \$492.5 billion, for the week ended Feb. 23. Analysts were expecting a rise of only \$1 billion.

"Yields rose across the spectrum today, and the final disappointment was the money supply," said William Sullivan, senior vice president at the Bank of New York.

However, since the Federal Reserve has said it will place less emphasis on M-1 and more on the broader monetary measures of M-2 and M-3, which include M-1 plus other large deposits, it was not the most important factor in lower prices Friday, he said.

Maurice Harris, economist and vice president at Paine Webber, agreed that the M-1 rise was "mildly negative," but he said one constructive factor was an \$837-million drop in business loans reported Friday by the Federal Reserve.

Also discouraging buying was the higher cost of overnight interbank loans. After trading most of Friday at 8.375 percent, the Federal funds rate rose to 8.50 percent before the close.

The Treasury bill yield rose to an offered price of 8.5 percent after trading Thursday at 8.4 percent. Longer-dated issues were slightly less weak, with the 9 1/2-percent note due in 1988 closing at 100 8/32 for a yield of 9.80 percent, up from Thursday's 9.75 percent. Similarly, the 10 1/2-percent bond of 2012 rose to 99 8/32 for a yield of 10.46 percent, up marginally from Thursday's close of 10.42 percent.

Adding to the pressure on prices, the basic M-1 money supply rose \$3.6 billion, to \$492.5 billion, for the week ended Feb. 23. Analysts were expecting a rise of only \$1 billion.

"Yields rose across the spectrum today, and the final disappointment was the money supply," said William Sullivan, senior vice president at the Bank of New York.

However, since the Federal Reserve has said it will place less emphasis on M-1 and more on the broader monetary measures of M-2 and M-3, which include M-1 plus other large deposits, it was not the most important factor in lower prices Friday, he said.

Maurice Harris, economist and vice president at Paine Webber, agreed that the M-1 rise was "mildly negative," but he said one constructive factor was an \$837-million drop in business loans reported Friday by the Federal Reserve.

Also discouraging buying was the higher cost of overnight interbank loans. After trading most of Friday at 8.375 percent, the Federal funds rate rose to 8.50 percent before the close.

The Treasury bill yield rose to an offered price of 8.5 percent after trading Thursday at 8.4 percent. Longer-dated issues were slightly less weak, with the 9 1/2-percent note due in 1988 closing at 100 8/32 for a yield of 9.80 percent, up from Thursday's 9.75 percent. Similarly, the 10 1/2-percent bond of 2012 rose to 99 8/32 for a yield of 10.46 percent, up marginally from Thursday's close of 10.42 percent.

Adding to the pressure on prices, the basic M-1 money supply rose \$3.6 billion, to \$492.5 billion, for the week ended Feb. 23. Analysts were expecting a rise of only \$1 billion.

"Yields rose across the spectrum today, and the final disappointment was the money supply," said William Sullivan, senior vice president at the Bank of New York.

However, since the Federal Reserve has said it will place less emphasis on M-1 and more on the broader monetary measures of M-2 and M-3, which include M-1 plus other large deposits, it was not the most important factor in lower prices Friday, he said.

Maurice Harris, economist and vice president at Paine Webber, agreed that the M-1 rise was "mildly negative," but he said one constructive factor was an \$837-million drop in business loans reported Friday by the Federal Reserve.

Also discouraging buying was the higher cost of overnight interbank loans. After trading most of Friday at 8.375 percent, the Federal funds rate rose to 8.50 percent before the close.

The Treasury bill yield rose to an offered price of 8.5 percent after trading Thursday at 8.4 percent. Longer-dated issues were slightly less weak, with the 9 1/2-percent note due in 1988 closing at 100 8/32 for a yield of 9.80 percent, up from Thursday's 9.75 percent. Similarly, the 10 1/2-percent bond of 2012 rose to 99 8/32 for a yield of 10.46 percent, up marginally from Thursday's close of 10.42 percent.

Adding to the pressure on prices, the basic M-1 money supply rose \$3.6 billion, to \$492.5 billion, for the week ended Feb. 23. Analysts were expecting a rise of only \$1 billion.

"Yields rose across the spectrum today, and the final disappointment was the money supply," said William Sullivan, senior vice president at the Bank of New York.

However, since the Federal Reserve has said it will place less emphasis on M-1 and more on the broader monetary measures of M-2 and M-3, which include M-1 plus other large deposits, it was not the most important factor in lower prices Friday, he said.

Maurice Harris, economist and vice president at Paine Webber, agreed that the M-1 rise was "mildly negative," but he said one constructive factor was an \$837-million drop in business loans reported Friday by the Federal Reserve.

Also discouraging buying was the higher cost of overnight interbank loans. After trading most of Friday at 8.375 percent, the Federal funds rate rose to 8.50 percent before the close.

The Treasury bill yield rose to an offered price of 8.5 percent after trading Thursday at 8.4 percent. Longer-dated issues were slightly less weak, with the 9 1/2-percent note due in 1988 closing at 100 8/32 for a yield of 9.80 percent, up from Thursday's 9.75 percent. Similarly, the 10 1/2-percent bond of 2012 rose to 99 8/32 for a yield of 10.46 percent, up marginally from Thursday's close of 10.42 percent.

Treasury Bills

Bill	Rate	Yield
13-week	8.50	8.50
26-week	8.50	8.50
52-week	8.50	8.50
...

Consolidated Trading Of NYSE Listings

Symbol	Price	Change
...

Consolidated Trading Of AMEX Listings

Symbol	Price	Change
...

Prices in Mexico Rose Only 5.4% in February

MEXICO CITY — The inflation rate in Mexico slowed to 5.4 percent in February, the smallest rise in months, the central bank announced. In January, consumer prices rose 10.9 percent.

Drops in vegetable prices helped slow inflation in February, the central bank said Friday. But prices rose for goods such as rice, beef, electrical accessories, clothing and furniture.

Mexico had an annual inflation rate of 98 percent in 1982, partly as the result of three major devaluations of the peso. But apart from last month's slowing in the inflation rate, economic indicators this year have given little cause for optimism, and recovery prospects have been dampened by the impending fall in world oil prices.

Kaiser Steel to Close Big California Plant

Los Angeles Times Service

LOS ANGELES — Kaiser Steel Corp. has announced plans to end production and finishing of steel at its steelworks in Fontana, California, the biggest steel plant on the West Coast, unless it can find a buyer or partner — something it has tried unsuccessfully to do several times. A shutdown would affect all but about 150 of the plant's 700 employees.

Kaiser said Friday that the facility would be shut late this year, or when its inventory is exhausted. Stephen A. Girard, Kaiser's chairman and chief executive, attributed the impending shutdown to a near-crisis in the market for carbon steel products.

The steel division has been a major drag on Kaiser's earnings for some time.

Gold Options (prices in \$/oz.)

Price	Mar	Apr	May
...

Valeurs White Weld S.A.
1, Quai du Mont-Rouge
1211 Geneva 1, Switzerland
Tel. 31 02 51 - Telex 28 305

Viking Resources International N.V.
N.A.V. as of 28-2-83
\$43.05 (D.Fs. 115.80)

INFORMATION:
Heron, Holding & Herson N.V.,
Haringvliet 214, Amsterdam.

NEAR YOUR BUSINESS ENGAGEMENTS AND CLOSE TO PERFECTION.

THE RITZ-CARLTON
BOSTON • NEW YORK
WASHINGTON

From The International Herald Tribune 1887-1980

On every page of this documentary book, you'll feel the urgency of great historical news stories as if they were breaking today.

Reproductions of 129 front pages, many with Herald Tribune exclusive articles: like the first-hand report from the sinking Titanic by a Tribune reporter who was aboard, the Dreyfus trial, the Venice campanile caught in mid-collapse by a Tribune photographer!

Follow coverage of the First World War by one of the few newspapers that stayed in Paris and was virtually edited at the front.

Read about people — Queen Victoria, Lindbergh, Jack the Ripper, the Windsors, Stalin — a century of news headlines and the events that surrounded them.

Hard cover, 28 x 38 centimeters, readable-size text. The book is divided into five chronological sections, each with an introduction describing the period from historical and journalistic viewpoints.

THE FRONT PAGE is a distinctive personal or business gift. Order one — or several — today.

INTERNATIONAL
Herald Tribune

INVEST IN AMERICAN COMMERCIAL REAL ESTATE

One of the fastest growing areas of investment in the U.S. is in real estate limited partnerships. This \$20 billion a year industry permits investors to participate in a diversified portfolio of American commercial real estate such as office buildings, light industrial parks, and apartments.

For further details about this investment opportunity, please contact:

American Income Properties
1101 Vermont Ave., N.W. P.O. Box 28770 S.R. Inc.
Suite # 400 R.R. P.O. Box 240
Washington, D.C. 20005 Bahrain 1211 Geneva, Switzerland
Tel: (202) 289-7925 Tel: (41-22) 44 51 51
Telex: 440462 Meer ul Telex: 23588 SIR CH

Are you looking for a high yield, maximum liquidity and minimum risk?

Are you now earning market rates on your short term liquidity? Would you like to secure wholesale interest rates on retail deposits?

Through investments with Banks having assets in excess of \$5 billion and with other top commercial banks.

INTERNATIONAL INCOME FUND

Offers the following choice of investment opportunities:

Short Term 'A' Units, exclusive of investment in U.S. money market instruments for maturities of less than 12 months.
Short Term 'B' Units, invested in money market instruments denominated in the D.M. currencies and Swiss francs for maturities of less than 12 months. These units offer a balanced currency approach. Income on both 'A' and 'B' Units accrues daily up to the date of repayment. Units can be redeemed on any business day without charge and repayment is made five business days later.

Long Term Units, representing a balanced portfolio of Eurobonds and Euroconvertibles. Income is paid annually and units can be redeemed every week at net asset value, less 1%.

Trustee: Midland Bank Trust Company (Channel Islands) Limited
Administrative Agent: EBC Trust Company (Jersey) Ltd., Jersey.
Investment Advisor: European Banking Company Limited, London.

EBC Trust Company (Jersey) Ltd., 28 Hill Street, St. Helier, Jersey, C.I. Tel: 0534 36281
Please write full information to:

Name: _____
Address: _____
City: _____ Country: _____

Subscriptions are only valid if made on the basis of the current explanatory memorandum, supplemented by either the last Annual Report or the last Interim Report, whichever is the more recent. The Legal Notice has been deposited with the Chief Registrar of the District Court of Luxembourg where such documents are available for inspection and where copies thereof can be obtained upon request. Full details are published in this newspaper under "International Funds".

We are pleased to announce
our association with
Adolphe J. Warner

as our Senior Advisor on International Economics
and Portfolio Investment.



New York & Foreign Securities Corporation

Member New York Stock Exchange, Inc. and Other Principal Exchanges

655 Third Avenue • New York, New York 10017

(212) 867-8775

THE FRONT PAGE

From
The International Herald Tribune
1887-1980

On every page of this documentary book, you'll feel the urgency of great historical news stories as if they were breaking today. Reproductions of 129 front pages, many with Herald Tribune exclusive articles: like the first-hand report from the sinking Titanic by a Tribune reporter who was aboard, the Dreyfus trial, the Venice campanile caught in mid-collapse by a Tribune photographer!

Follow coverage of the First World War by one of the few newspapers that stayed in Paris and was virtually edited at the front.

Read about people — Queen Victoria, Lindbergh, Jack the Ripper, the Windsors, Stalin — a century of news headlines and the events that surrounded them.

Hard cover, 28 x 38 centimeters, readable-size text. The book is divided into five chronological sections, each with an introduction describing the period from historical and journalistic viewpoints.

THE FRONT PAGE is a distinctive personal or business gift. Order one — or several — today.

INTERNATIONAL
Herald Tribune



THE FRONT PAGE

U.S. \$32 or equivalent in other currency, plus postage.

In Europe, please add \$2.50 or equivalent for each copy. Outside Europe, please add \$8 or equivalent for each copy.

Complete and return this coupon with your check or money order in the currency of your choice to: International Herald Tribune, Promotion Department, 181 avenue Charles-de-Gaulle, 92521 Neuilly Cedex, France.

Please send me _____ copies of THE FRONT PAGE 7-3-83

Name: _____

Address: _____

City and Code: _____

Country: _____

Over-the-Counter

NASDAQ NATIONAL MARKET[illegible]

NEW YORK 1AP1~	Bid	Ask	Bid	Ask
----------------	-----	-----	-----	-----

[illegible]

Published every Monday, this is a compilation of senior positions published in the INTERNATIONAL HERALD TRIBUNE and other selected publications. Comments concerning this feature can be addressed to Juanita Caspari in Paris.

[illegible][illegible]

(Continued on Page 13)

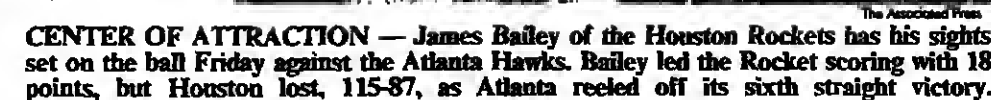
Bykova Sets Women's Record in High Jump

In the women's 3,000 meters, Yelena Sipatova of the Soviet Union held off a challenge from reigning champion, Agnese Posamai of Italy, to win the final in 9:40.40.

In other events, Jarmila Kratochvílová of Czechoslovakia won the women's 400 meter in 49.69, Svetlana Kitova of the Soviet Union captured the women's 800 meters in 2:01.28. Yevgeniya Lomtseva of the Soviet Union won the men's 400 meters in 46.20, and László Szalma of Hungary won the men's long jump with a leap of 7.95 meters.

Czechoslovakia's Helena Fibingerová took the women's shot put title with 20.61 meters, the best in Europe this season. Stefano Tilli of Italy won the men's 60 me-

**More Sports
On Page 15**



Secretary's Callers Basketball Banquets

Tennamunda
Magna All-Ohio Athletic
Commission Banquet
Forthright 54, Jones 52

Real
Reshen Call 1, Mt. Holly Cross 97
Reshen Call 10, Providence 44
Brown 71, Dartmouth 77 (41)
Bucknell 72, St. Francis (Pa) 47
Connecticut 55, Connecticut 44
Ge, Washington 48, Duquesne 42
Georgetown 67, Villanova 61

La Salle 84, Vermont 73
Kent, 81, St. Elizabeth 77
New Hampshire 34, Northeastern 23
Penn 55, Cornell 51
Pa, 54, 76, Buckner 76
Princeton 73, Columbia 56
John's (Mn) 91, Dart 71
Temple 72, Wakefield 78
W, Virginia 72, St. John's (Pa) 66
Haw, Nevada 99

Switz
Champion 50, Michigan 88
E. Tenn, 51, 74, Mc-Kent 44
Ga, Southern 58, Southern 57

Nebraska 74, Montana 73
Oregon 42, Oregon 44
Pennsylvania 48, Georgetown 40
Portland 49, Loyola (Calif) 64
San Diego 52, 77, New Mexico 51
San Jose 54, 76, Santa Barbara 58
UCLA 49, Washington 44
Utah 51, 81, Lane 36, St. 76
Utah 44, Brigham Young 76
Washington 51, Washington 50
Wyoming 49, Colorado 52, 25

NUB

Fridley's Results
 Milwaukee 190, Dallas 102 (Mancier) 31,
 Johnson 27; Aquinas 25, Vincent 21,
 Chicago 24, New Jersey 119 (Dietz) 29,
 Higgins 25; Kins 21, Birdseye 21.
 Kansas City 128, Indiana 100 (Drake 22,
 Woodson 18; Ketchum 17, Schumaker 19),
 Washington 16, Los Angeles 13 (Rundak 26,
 Mahorn 25; Mason 26, Abdul-Jabbar 21).
 Phoenix 190, Golden State 102 (Nance 23,
 Lucas 19; Sherz 24, Carroll 6).
 Boston 115, Philadelphia 110 (Bird 22,
 Akezie 21; Williams 24, Berry 22).
 Atlanta 115, Kansas City 101 (Schumaker 19,
 Edmonson 14; Wilkins 14; Ertel 18, Yeople 16).
 Denver 142, Portland 128 (English 25, Van-
 derweide 25; Huff 22, Townes 20).
 San Antonio 107, San Diego 97 (Gervin 24,
 Gilmore 19, Banks 17; Cummings 24, Walton

Los Angeles 122, Detroit 108 (Thomas 20,
 Triebuck 22, Worthing 28, Wilkes 26),
 Cleveland 98, Doris 92 (Free 25, Robinson
 24, Vincent 18, Davis 14, Aguirre 14),
 Denver 126, Milwaukee 120 (Vanderweide
 36, English 22, Winters 28, Mox 21),
 Seattle 126, Houston 103 (Thomason 29, Wil-
 liams 19, Skjura 19, Bailey 20, Henderson 16),
 Golden State 125 (Abb 121, Crowell 57

[illegible]

For the Week Ending March 4, 1983

[illegible]

(Continued From Back Page)

<p>ESCORTS & GUIDES</p> <p>AMSTERDAM THE HAGUE ROTTERDAM</p> <p>Amsterdam 645689/644994</p> <p>The Hague 523079</p> <p>N. EUROPE ESCORT SERVICE</p>	<p>ESCORTS & GUIDES</p> <p>ZURICH</p> <p>Vanessa Escort Service TEL: 01/47 02 12 - 69 22 45</p> <p>AMSTERDAM</p> <p>• SEE / ESCORT SERVICE Tel: 2225-40</p> <p>COSMOS INT'L ESCORT SERVICE • FRANKFURT • • EVERYWHERE IN EUROPE Tel: Germany 0-611-4999991</p>	<p>ESCORTS & GUIDES</p> <p>ARISTOCATS</p> <p>LONDON Escort Service Tel: 437 4761 / 6742 12 noon - midnight</p> <p>AMSTERDAM</p> <p>ESCORT GUIDES SERVICE Tel: 1973 Tel: 247771.</p>	<p>ESCORTS & GUIDES</p> <p>GENEVA V.I.P. ESCORT SERVICE Tel: noon to Midnight, Sat 41 20 36</p> <p>VIENNA - HARMONY VIP Escort Service Telephone day office 02244-2618 or 5425 01 midnight</p> <p>VIENNA - EXCLUSIVE Escort Service Tel: 47 - 74 61.</p> <p>BURLESQUE CHANTAL ESCORT Service Tel: 507 22 65</p> <p>MADRID AHA ESCORT SERVICE Tel: 246 32 57. Credit cards.</p> <p>MADRID, Maria Escort Service. Tel: 437 01 81.</p>
<p>CAPRICE</p> <p>ESCORT SERVICE</p> <p>IN NEW YORK</p> <p>TEL: 212-737 3291.</p>	<p>Madrid Evasion</p> <p>VIP Escort & Guide Service, Mullinsburg Tel: Madrid 261 47 42 - 261 43 35.</p>	<p>Zurich - Geneva</p> <p>Minspiga Escort & Guide Service Tel: 01 / 361 90 50</p> <p>LONDON OXFORD ST</p> <p>Escort Service, London & Heathrow TEL: 582 2408</p>	<p>FRANKFURT - PETRA Escort & Travel Service Tel: 0611 / 682405.</p> <p>FRANKFURT-LAURA Escort Service Tel: 597 23 72</p> <p>COLOGNE - EMMY - DUESSELDORF Escort Service. Tel: 0221 / 124601.</p> <p>FRANKFURT 0611 - 686100. Amorinda's Escort Agency.</p> <p>MUNICH STAR ESCORT SERVICE. Female or male. Tel: 089 317700.</p> <p>FRANKFURT - KAREN Escort Service. Tel: 0611 - 681662.</p>
<p>LONDON</p> <p>BELGRAVIA</p> <p>Escort Service.</p> <p>Tel: 736 5877.</p>	<p>ZURICH</p> <p>SOPHIE ESCORT & GUIDE SERVICE TEL: 017 202 08 93</p> <p>• ZURICH - GENEVA •</p> <p>Orange Escort Service Germany TEL: 0049-6103-82048</p>	<p>LONDON PARK LANE</p> <p>ESCORT AGENCY. TEL: 582 2408.</p> <p>ROSE CLUB EUROPE ESCORT & Guide Service. Tel: 08 / 589 2004 - 589 1146 (10 am. - 10 pm.)</p> <p>GENEVA-EXCLUSIVE Escort Service. Afternoon & Evening. Tel: 22 / 21 79 29.</p>	<p>FRANKFURT 0611 - 686100. Amorinda's Escort Agency.</p> <p>MUNICH STAR ESCORT SERVICE. Female or male. Tel: 089 317700.</p> <p>FRANKFURT - KAREN Escort Service. Tel: 0611 - 681662.</p> <p>DUESSELDORF-COLOGNE DOMINA English Escort Service. 0211/389741</p> <p>FRANKFURT - ANITA Escort Service. Tel: 0611/435974.</p> <p>VIENNA. ETOILE ESCORT SERVICE. Female or male. Tel: 069 317700.</p> <p>VIENNA - REGINE Escort Service. Female - Male. Tel: 02244-38544.</p> <p>VIENNA MANTIS ESCORT and guide service. Tel: 02244-38544.</p> <p>TORONTO, CANADA. Gabrielle Escort Service. Tel: 416-363-5453.</p>
<p>LA VENTURA</p> <p>ESCORT SERVICE NEW YORK CITY 212-598-1666</p>	<p>• ZURICH - GENEVA •</p> <p>Orange Escort Service Germany TEL: 0049-6103-82048</p>	<p>NEW YORK</p> <p>Raneya's VIP Escort Service Tel: 212-681-1948</p>	<p>NEW YORK Raneya's VIP Escort Service Tel: 212-681-1948</p>
<p>LONDON</p> <p>Portman Escort Agency 67 Dillwyn Street, London W1 TEL: 486 3724 or 486 1158</p>	<p>LONDON WEST</p> <p>ESCORT AGENCY LONDON HEATHROW & GATWICK TEL: 01-747 3304</p> <p>MAHANA Escort Service London 451176 - 7945218</p>	<p>AL KNIGHT (LONDON)</p> <p>Escort Service. Tel: 01-747 3304.</p> <p>LONDON - CHESSA GIBL Escort Ser- vice. Tel: 416 781 7034.</p> <p>SW2 Tel: 01 384 6513/7249. (4-11 pm)</p>	<p>NEW YORK Raneya's VIP Escort Service Tel: 212-681-1948</p>
<p>LONDON</p> <p>ESCORTING</p> <p>ESCORT SERVICE 10 KENSINGTON PARKWAY ST, W8 TEL: 937 9136 OR 927 9132</p>	<p>E.E.C. CAPITALS Conservation Escort Germany: 01 7851 3719.</p>	<p>LONDON MAYFAIR ESCORT SERVICE TEL: 01 582 2408</p>	<p>NEW ESCORT AGENCY. London & Geneva. Tel: 59 7554.</p> <p>LONDON PETITE FLEUR Escort Service London / Heathrow. 01 749 6571.</p> <p>LONDON DEBREE ESCORT SERVICE Tel: London 989 0451.</p> <p>TORONTO CANADA LANE Escort Service. Tel: 416-363-5453.</p> <p>LONDON LUCY ESCORT SERVICE Tel: 01 384 5864.</p> <p>TEL AVIV ESCORT SERVICE. Tel: 03 444 538.</p> <p>SUBARUNAH ESCORT SERVICE Lon- don. Tel: 932 0035.</p> <p>COPENHAGEN ESCORT SERVICE. Tel: 197022.</p>

SPORTS

Wales Dominates Ireland, 23-9

Welsh Victory Sets Up Decisive Match Against France

By Bob Donohue

International Herald Tribune

CARDIFF, Wales — Luck ran out for the Irish in their first Five Nations match of the winter when Ollie Campbell made a goal line with the sun in his eyes. Welsh scrumhalf Terry Holmes methodically turned this opportunity into a try and Wales went on to a lopsided victory Saturday, 23-9.

The game rewrites the championship standings with one day left. The Welsh, a much changed young team under new captain Eddie Butler, move up to first place and can win the championship when they close against France in Paris on March 19. After their first match, a lackluster draw at home with England on Feb. 5, the Welsh had been written off even by many of their fans.

The Irish, after beating Scotland and France, came to Cardiff with "sights set on a first Irish grand slam (four-match sweep) since 1948. The veteran Irish forwards had good hope of winning once in Cardiff before they retire. Holmes and company spoiled all that.

Ireland has still not won in Cardiff since 1967. And the best it can now do is tie with Wales or France by beating England in Dublin on March 19 while Wales draws or loses in Paris.

A desperate away victory over Scotland on Feb. 19 launched a Welsh renaissance. Bolstering the team's confidence became a South Wales community effort. "No way for Ireland to win!" said a red headline across the top of the

Western Mail's front page Saturday. Outside the long-sold-out National Stadium the number of tickets less Welshmen milling around in hope of miraculous admission was bigger than usual. Inside, the crowd's singing before and during the match seemed louder than usual.

The Irish looked like champions, with a moderate wind behind them and jittery Welshmen in front. The

FIVE NATIONS RUGBY

first 25 minutes were spent almost entirely in Welsh territory. But Wales was getting organized. All the Irish got for that early territorial control was two penalty goals, the first from after by fullback Hugo MacNeill and the second from close up by Campbell while the crowd at the River Taff and behind him chanted "Happy Birthday to You."

For his 26th birthday the holder of the Five Nations record for most points in a season (46) had been getting some crumpling tackles. The mocking crowd's sense that this was not to be Ollie's day was correct.

Wales dominated the scrummaging from the start. Lineout superiority came quickly, with 6-foot-5 Bob Norster increasingly effective in the middle. Fierce Welsh rucking in front of the powerful and sharp-eyed Holmes became an Irish embarrassment. The crowd's growing confidence reflected spreading Welsh confidence on the

field — and doubtless fed it, too, in that unique congregational alchemy that visiting teams have dreaded in Cardiff for generations.

Two minutes after each of those first two Irish penalty goals the Welsh made a brief raid and fullback Mark Wyatt equalized. Ireland had come on strong and achieved nothing. Now Holmes shifted up a gear and Wales scored three tries in 17 minutes.

The first, after Holmes had gained ground and Ireland had botched a lineout, came slickly from a Welsh scrum 10 minutes before halftime. Holmes fired the ball rightward past inside center David Richards to outside center Robert Ackerman, who flipped to Wyatt. The fullback sped through a gaping hole to score and convert: 12-6.

The second rewarded the obstinate Welsh tactic of kicking off high to the dapper Campbell and sending bravely forwards sprinting straight at him.

With the sun in his eyes, Campbell dropped Wyatt's second-half kickoff. From the scrum, with all Ireland knowing what was coming but unable to stop it, Holmes burst across. Wyatt's attempted conversion bounced back off a post: 16-6.

The third punished two failures by Campbell to punt to touch. Norster won a lineout and the ball flowed across the field for right wing Egan Rees, who popped between befuddled defenders to score with a bouncing ball from a kick-ahead by Wyatt, who missed the conversion: 20-6.

A final exchange of penalties left

Campbell with 31 points in three matches, behind Wyatt with 32 in three and Scotland's Peter Dods with 33 in four.

"I think we contained Campbell," Butler summed up. "In the first 20 minutes all they were doing was disrupting us, not dominating us. We always felt our organization could cope."

What about Paris? "Oh, dear," said Butler, perhaps reflecting that his efficient young organization will have to make do without the Cardiff alchemy.

Scotland Defeats England
Scotland bounced back from three defeats to finish with a 22-12 victory Saturday over England at London's Twickenham, leaving the English at the bottom of the standings with a difficult visit to Dublin ahead.

Two Scottish tries in the second half — a solo run from behind a scrum by scrumhalf Roy Laidlaw and a late plunge from an inmost by new lock Tom Smith — made the difference. Fullback Dods converted Laidlaw's try and kicked three penalties, and center Keith Robertson added three points with a drop.

Flyhalf John Horton scored for England with an early drop and fullback Dusty Hare kicked three penalties. The halftime score was 9-9.

FIVE NATIONS STANDINGS					
	W	D	L	Pts	Pts
1. Wales	2	0	0	20	54
2. France	2	0	1	14	54
3. Ireland	2	0	1	14	46
4. Scotland	1	1	2	14	46
5. England	1	1	2	9	46



Egan Rees of Wales outflights Moss Finn, right, and Trevor Ringland of Ireland to grab a bouncing ball and score

the third Welsh try of the match. Wales won, 23-9, to hand Ireland its first loss in this year's championship.

Argentine Team Upsets U.S., 4-1, In Davis Cup; McEnroe Defeated

Compiled by Our Staff From Dispatches

BUENOS AIRES — Argentina defeated the defending champion U.S. Davis Cup team in the first-round 1983 tournament Sunday when Guillermo Vilas overwhelmed John McEnroe, 6-4, 6-1, to give Argentina an insurmountable 3-1 lead in the best-of-five matches format.

It was the second singles loss of the series for McEnroe. He fell to José Luis Clerc, 6-4, 6-0, 3-6, 4-6, 7-5, in a marathon match that started Friday and was finished Saturday morning.

It also was McEnroe's fourth straight singles defeat in Davis Cup play in Buenos Aires.

In a press conference after his match with McEnroe, Vilas said he had not decided yet whether he would represent Argentina in the next round, against Italy in July.

"I am very tired now, and I have to think about it," he said.

Without explaining, he said, "This could be Argentina's last chance to win the Davis Cup."

In the fifth game of the series later Sunday Gene Mayer defeated Argentina's Alejandro Ganzabal, 6-3, 3-6, 10-8, to make the final score 3-2 for Argentina. Clerc originally was to play Mayer Sunday, but the Argentine presented a doctor's certificate to excuse himself from the inconsequential contest.

Vilas defeated Mayer 6-3, 6-3, 6-4 on Friday for Argentina's first point. The U.S. doubles team of McEnroe and Peter Fleming beat Vilas and Clerc, 2-6, 10-8, 6-1, 3-6, 6-1, in Saturday's doubles.

Argentina now moves into the second round of play against Italy. The United States will play Ireland, which lost to Italy in the first round, and the loser of that match will be eliminated from the World Cup competition.

In Moscow, France, which began the day with a winning 3-0 lead, completed a 4-1 victory over the Soviet Union Sunday. Yannick Noah of France defeated Vadim Borisov, 6-2, 6-2, and Konstantin Pugaev beat Henri Leconte, 10-3, 6-4, in the Soviet Union's only win during the round.

Noah and Leconte had used their strong service and superior play at the net Saturday to defeat Pugaev and Sergei Leonyuk, 6-3, 7-5, 3-6, 4-6, 6-3, in a match that went 2 hours and 27 minutes. Noah beat Pugaev and Leconte defeated Borisov in the opening singles Friday.

France will play the winner of the Czechoslovakia-Paraguay match in the second round in July, and the Soviet Union will play the loser.

In Bjarrad, Sweden, Anders Jarryd and Mats Wilander each won Sunday's final singles matches in straight sets to complete a 5-0 shut-out over Indonesia.

Jarryd, who teamed with Hans Simonsson to win Saturday's doubles for the clinching point, downed Justo Tarkit 6-3, 6-1. Wilander then defeated Indonesia's No. 1, Timus Ariano Wibowo, 6-2, 6-3. Sunday's singles were best-of-three matches since the winner had already been determined.

The Swedish team did not lose a set during the three-day meet. On Friday, Jarryd defeated Wibowo, 6-4, 6-2, 7-5, and Wilander beat Tarkit, 6-2, 6-2, 6-1.

Sweden will play New Zealand in the quarterfinals in New Zealand.

In Reggio Calabria, Italy, Corrado Barazzutti easily defeated Sean



Yannick Noah of France returns a shot by Vadim Borisov of the Soviet Union. Noah, ranked seventh in the world, won, 6-2, 6-2, and France captured the series, 4-1.

Rey Wins Slalom; Graham Takes Downhill

Compiled by Our Staff From Dispatches

MONT TREMBLANT, Quebec — Anne-Flore Rey of France carved her first-ever World Cup victory down the icy Mont Tremblant course Sunday to win a women's giant slalom race by 9-10ths of a second over Maria Eppler of West Germany.

On Saturday, Laurie Graham of Canada won her first women's World Cup ski event, the last downhill ski race of the season.

Rey of France mastered an icy, sun-warmed track that forced 21 other skiers out of the race to win her first-ever World Cup giant slalom by 9-10ths of a second over Maria Eppler of West Germany.

Rey was second to Eppler after running the 51-gate first beat in 1 minute and 14.45 seconds but slashed her time by almost six seconds in a final run of 47 gates to clock the fastest run of the day at 1:08.03.

She posted a combined 2:22.48 to nip Eppler by Eppler's was 2:22.57 and Erika Hess of Switzerland placed third in 2:23.71.

Despite narrow defeat, both Eppler and Hess managed to edge significantly the races for two of the World Cup's season champions. Eppler moved into second place in World Cup points for the giant slalom and Hess took the lead in the standings for the overall World Cup championship by finishing third.

Eppler, 23, moved ahead of her elder sister Irene Eppler and Hanni Wenzel of Liechtenstein — who

were tied at 51 points — in the race for the giant slalom championship with 55 points based on her five best finishes. Eppler trails leader Tamara McKinney of the United States, with 72 points. Hess, a slalom specialist, took a five-point lead over Wenzel in the overall standings at 175 to 170.

Graham raced over the finish line of the 2,535-meter Kandahar course in the time of 1 minute, 32.53 seconds, 4-10ths of a second ahead of second-place Maria Waliser of Switzerland.

With her second-place finish, Waliser wrapped up second place in the final World Cup downhill standings ahead of Austria's Elisabeth Kriehler — who finished 29th Saturday. Waliser had 97 points

for the season based on her five best finishes.

Swiss teammate Doris de Agostini, who finished fifth at 1:33.64, had locked up the downhill title in February.

Michela Figini, 16, of Switzerland, starting in the 33rd position, was a surprising third at 1:33.52 as an overnight freeze hardened the long, straight course producing the fastest times of the week.

"I was really psyched up," said the 22-year-old Graham, whooping with delight after being roared to victory by her home crowd.

Women's Downhill
1. Laurie Graham, Canada, 1:32.53.
2. Maria Waliser, Switzerland, 1:32.53.
3. Michela Figini, Switzerland, 1:33.52.

Women's Giant Slalom
1. Anne-Flore Rey, France, 2:22.48.
2. Maria Eppler, West Germany, 2:22.57.
3. Erika Hess, Switzerland, 2:23.71.
4. Anni Kronbichler, Austria, 2:23.72.
5. Petra Kronberger, Austria, 2:23.72.
6. Olav Chrestensen, Czechoslovakia, 2:23.94.
7. Veronika Vitzthum, Austria, 2:23.94.
8. Silke Eickholt, Austria, 2:24.11.
9. Stefanie Wolf, Austria, 2:24.11.
10. Claudine Edel, France, 2:24.18.
11. Brigitte Oerli, Switzerland, 2:24.22.
12. Lilja Savitri, Canada, 2:24.22.
13. Debbie Armstrong, United States, 2:24.29.
14. Sylvia Eder, Austria, 2:24.42.

Women's Downhill
1. Laurie Graham, Canada, 1:32.53.
2. Maria Waliser, Switzerland, 1:32.53.
3. Michela Figini, Switzerland, 1:33.52.

Brooker Captures Men's Downhill

Compiled by Our Staff From Dispatches

ASPEN, Colorado — Todd Brooker of Canada posted his second World Cup downhill victory of the season, winning the downhill on Aspen Mountain on Sunday by nearly a half second over Italy's Michael Mair.

Brooker was timed in 1 minute, 47.87 seconds to remain in the race for the overall downhill crown. Mair came across in 1:48.24, while Austrian Helmut Hoeflechner was third in 1:48.54 over the nearly 2-mile Aspen Mountain course.

Harti Weirather, defending

world downhill champion from Austria, was fourth at 1:48.68.

Brooker, who had good training-run times all week, skied from the 13th position on a course that had to be groomed of nearly a foot of fresh snow. The winning time was more than 5 seconds slower than the best training time set by teammate Ken Read.

Defending World Cup downhill champion Steve Podborski of Canada was the only racer in the first 15-man seed to fall on the course. His right ski went into some loose snow at the bottom of the steep

Aztec portion of the course, and he tumbled head-first out of the race. Podborski was uninjured and skied the rest of the way down.

Phil Mahre of the United States, who needed to place fifth or better in the downhill and win Monday's scheduled giant slalom to clinch the overall World Cup title, finished in 1:49.8, good for ninth place.

Sweden's Ingemar Stenmark, who is pushing Mahre for the overall title, does not compete in the downhill. Mahre had 215 overall points to Stenmark's 197.

More Sports
On Page 13

SPORTS BRIEFS

Bulau Wins Ski Jumping Event

LAHTI, Finland (UPI) — Canada's Horst Bulau kept himself in contention for the Ski Jumping World Cup when he won the 90-meter event Sunday at the Salpausselka Games, while Finland's Matu Nykaenen could only manage third place.

However, the Finn now needs only one second place from the two final meets of the season. In the overall standings, Nykaenen has 267 points while Bulau has 252.

Bulau, in posting his third win in 10 days and his seventh of the season, leapt 114 and 109.5 meters to register 257.7 points. Austrian Armin Kogler, who has won the last two World Cups, was second for the third straight event. He achieved jumps of 113 and 103 meters for 247.2 points.

Croeso Captures Florida Derby

HALLANDALE, Florida (AP) — Croeso defeated 2-5 favorite Copelan by 1 1/4 lengths to win the 1 1/4-mile Florida Derby on Saturday. Croeso's owners, Roy Fowler and Cardiff Stud, have still not decided whether the 3-year-old gelding will enter the 109th running of the Kentucky Derby on May 7.

With two months to go before the Kentucky Derby, no 3-year-old enjoys a clearer favorite's role. Churchill Downs announced in Louisville, Kentucky, that 405 horses have been nominated for the Kentucky Derby, raising the possibility of 20-horse field for the May 7 race.

French Yacht Leads Solo Race

RIO DE JANEIRO (AP) — The

French yacht, Crédit Agricole, skippered by Philippe Jeantot, won the third leg of a solo, around the world yacht race.

The boat crossed the finish line Friday night to complete an 8,250-mile trip from Sydney, Australia. Its nearest competitor in Class I, the Altech Voortrekker of South Africa, still "around 300 miles" from Rio on Saturday and not expected to arrive before Monday, according to race officials at Rio's Yacht Club. The victory widened Crédit Agricole's eight-day lead over Altech Voortrekker, and made the French yacht the heavy favorite to win the race, which started Aug. 28.

The Crédit Agricole also won the first two legs of the 27,000-mile race — from Newport, Rhode Island to Cape Town and from Cape Town to Sydney. The nine of the 17 starters left in the race are to leave Rio for Newport on April 10. Eight of the original 17 starters have dropped out for various reasons.

The doubles pair of Victor Pecci and Francis Gossiaux, defeated Czechoslovakia's Ivan Lendl and Tomas Smid 6-4, 6-4, 6-4 Saturday in Asuncion, Paraguay, to give Paraguay a 2-1 lead.

Czechoslovakia earned its only point so far Friday when Lendl defeated Gonzalez 6-4, 6-4, 10-8. Pecci downed Smid 6-3, 3-6, 6-4, 5-7, 6-1.

Navratilova, Evert in Final

INGLEWOOD, California (UPI) — Top-seeded Martina Navratilova trounced Billie Jean King 6-1, 6-3 and second-seeded Chris Evert Lloyd downed Andrea Jaeger 6-3, 6-2 to advance to Sunday's finals of a tennis tournament here.

Navratilova gained the semifinals with a 6-1, 6-3 victory over Bonnie Gadusek, and Evert advanced with a 7-6, 6-2 victory over Virginia Ruzici Friday night.

King had upset fourth-seeded Bettina Bunge of West Germany 6-4, 6-4 earlier Friday in the quarterfinals, and Jaeger won her spot in the semifinals by default over Catherine Tanvier of France, who dropped out because of a pulled thigh muscle during the first set.



Philippe Jeantot champagne at the finish

USFL Puts the Cash Up Front: A Big Investment in Changing Fans' Habits

By David Bernick

and Bart Barnes

Washington Post Service

WASHINGTON — Canary-yellow Rolls-Royces and Newport mansions once were the primary playthings of the rich, ways to celebrate the beneficence of the free market and the spoils of power. Nowadays, sports franchises are the flashiest ornament of all.

The new U.S. Football League, which began its first season Sunday, has provided another dozen jewels for the flaunting, and their owners are gambling that the value of those baubles will burgeon with time.

So far, the owners have good reason to think they have invested wisely.

The USFL is enjoying all the good fortune that the now defunct World Football League had. Within two weeks of its official founding last May, the USFL secured a \$20 million television contract with ABC. A deal with ESPN, a sports television network, soon followed. Top colleges, like running backs Craig James (Washington) and Tim Spencer (Chica-

go) and wide receivers Anthony Carter (Michigan) and Trumaine Johnson (Chicago) signed lucrative contracts. Others, like running back Eric Dickerson, are still considering huge offers.

The signing of Heisman Trophy winner Herschel Walker was, of course, the latest and most publicized stroke of fortune. It took the American Football League five years to sign a player of Joe Namath's caliber, but the USFL suspended its own rules and risked the ire of the National Football League, the college coaches and the fans to get Walker at once.

Even as he answered harsh questions about Walker, USFL Commissioner Char Simmons knew that the controversy would fade and Walker would remain, at least for three years, a USFL asset. By choosing to pursue Walker, who was still an undergraduate, Simmons reasoned that he would rather be a controversial success than a conized flop.

But the battle for success and solvency has not yet been won. There are dangers the league must avoid and goals it must attain.

"We've got to get the fans in the stadiums and we've got to get them to come back," said

Simmons. "To do that we have to have a major habit change, from watching in the fall to watching in the spring and summer. That's the essence of it."

Simmons said that if the teams succeed in drawing 30,000 fans for every game, they should come close to breaking even. In addition, each club can expect approximately \$1.5 million in television and radio revenue in the first two years.

Bert Bernhard, one of the Federals owners, said, "From our standpoint, we had targeted an average of 26,000 as livable. We knew we would take a loss, but we thought it was a livable one. I think it's possible that we may even average 30,000."

While the Denver Fox has already sold more than 30,000 season tickets, the Boston Breakers have managed to sell only 3,600. Simmons presides over a \$16 million fund established by the league owners to bolster the weaker franchises if the need arises. So far, no one, not even the Boston owners, has required such subsidies, and the league plans to expand from 12 to 16 franchises next year.

The ABC contract is for two years, but Bernhard says that his colleagues are thinking beyond 1984.

"The early concept was in see how we did after two years," said Bernhard. "But no one is looking at it that way anymore. Everyone is assuming we'll go way beyond two years."

The league obviously will fail if it does not attract fans, both at the stadiums and in front of television sets. Much of Simmons' confidence about the future of the USFL is based on a marketing analysis commissioned by the league to see if fans would be interested in spring football. The analysis indicated that 53 percent of the public would prefer a weekend football game to a baseball game in the March-July period.

Some people may turn out to the stadiums or turn on the set just to see what the USFL is all about in its first weeks, but to retain a level of interest that promises future profit, the league must be good enough to compete with baseball on NBC and pro basketball on CBS.

Jim Spence, senior vice president of ABC Sports, said he expects the USFL to win a 5 or

5.5 rating (as compared in a 6.3 for baseball in the past two years).

"We're committed to carrying the league for two years," said Spence. "Whether we continue or not will be based on whether we think it has the potential to compete and get better. It all comes down to what's on the field. If the USFL is competitive and puts on exciting games, it should succeed."

ABC will be trying to bring more "intimacy" in the game by putting microphones on coaches and using live interviews from the locker rooms during halftime and along the sidelines during the game.

The network will chase the highest ratings by choosing the most attractive game of the week. As a result, Herschel Walker stands to make money not only for the New Jersey Generals' J. Walter Duncan and the opposing owners-visiting teams reap 40 percent of the gate-but for ABC as well. ABC may see fit to have him appear on Sundays as often as the Rev. Jerry Falwell.

Mike Faulkner, the Federals' former director of player personnel and now an assistant coach

with the New York Jets, said the league must build cautiously to maintain a competitive balance.

"The teams in the WFL went out and got too greedy," said Faulkner. "They signed players they couldn't really afford. And what that did to the competition was a disaster. The whole thing went out of balance."

Sources who did not wish to be quoted by name have accused Chicago Blitz Coach George Allen and General Coach Chuck Fairbanks of trying to do too much, too soon, with too much money. Before the draft, the teams made a gentlemen's agreement to limit their salary budgets, but some teams appear to have been more gentlemanly than others.

One outsider who is experienced in "start-up operations" is Earl Foreman, the commissioner of the Major Indoor Soccer League. He said the USFL's signings of major college athletes was "an essential ingredient for success."

As to whether the USFL will survive in the long run, he said, "It's like looking at election results at 6 o'clock. You won't have any answers for a year or so. It's a long pull."

